

IS TRUST VINDICATED?

THE CHRONICLE OF A TRUST, STRIVING, & TRIUMPH



BEING AN ACCOUNT OF THE ACCOMPLISHMENTS OF THE GOVERNMENT
IN THE UNION OF BURMA: NOVEMBER 1, 1958 - FEBRUARY 6, 1960

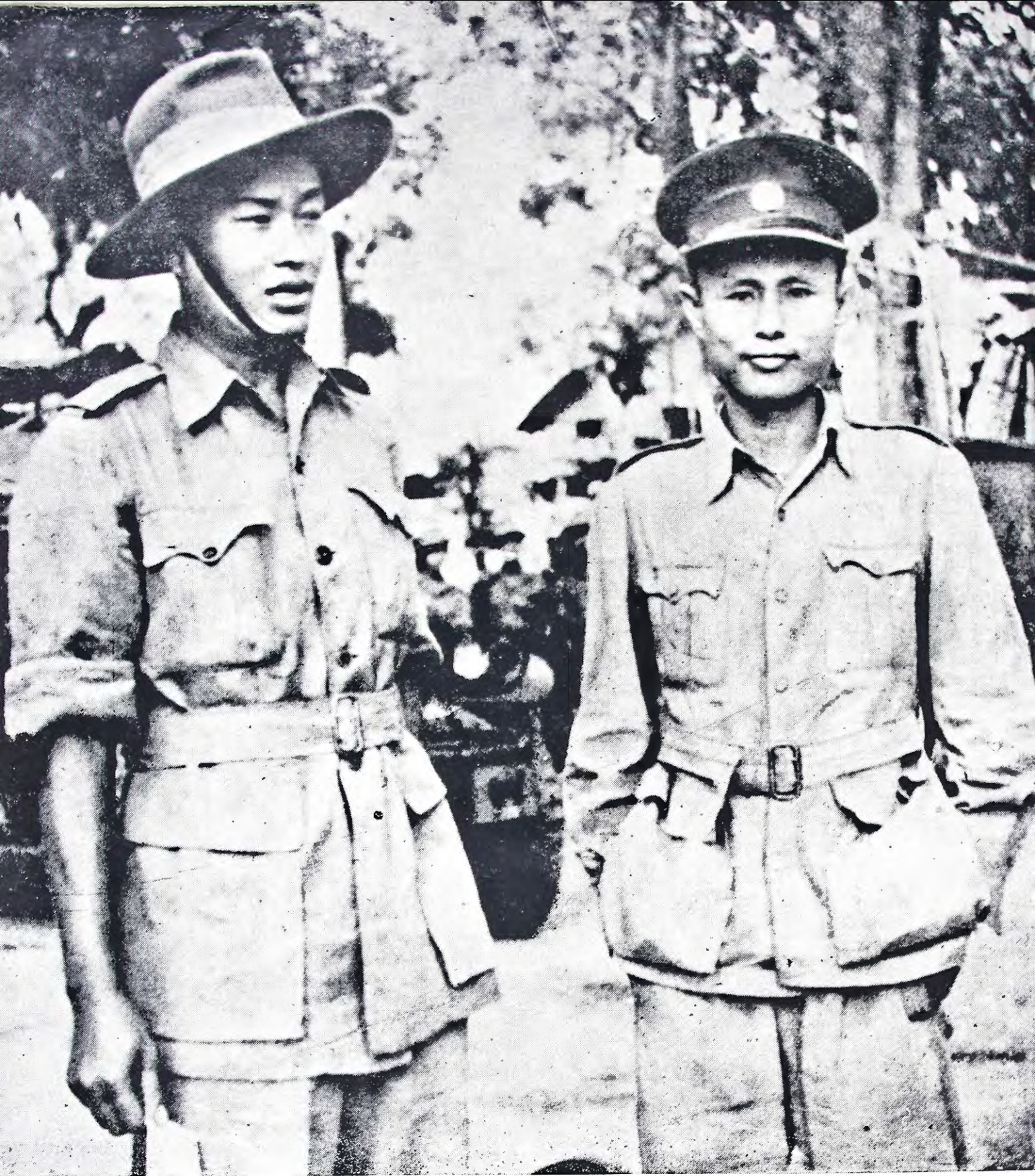
IS TRUST VINDICATED?

General Ne Win was unanimously nominated by the parliament of the Union of Burma on October 28, 1958, to head a government with the mandate of restoring security and law and order in the country and to provide for conditions necessary to the holding of a free and fair election.

This national trust placed in the government of General Ne Win encompassed a remedy against rampant lawlessness in the country and growing breakdown in the administrative machinery resulting from the political crisis in the factional split of the AFPFL, the dominant political organization in Burma since independence.

During the period of tenure from November 1958 to the general election of February 6, 1960, the government of General Ne Win has made remarkable strides in restoring law and order in the country, in revitalizing the administrative machinery, and in promoting the social and economic progress of the citizens of the Union of Burma.

This is a record of the various accomplishments that high light this period of tenure of the government headed by General Ne Win, in its aim to vindicate the trust placed in it by the nation.



After the General, the General

Is Trust Vindicated ?

*A chronicle of the various accomplishments
of the Government headed by General Ne Win
during the period of tenure from
November, 1958 to February 6, 1960*

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1960*

“ A CERTAIN KING OF ELIS, named Augeas, had a herd of three thousand oxen, the stalls of which had not been washed out for thirty years; and Hercules was commanded to wash them out in one day. This was a task that required not only strength but a good deal of thinking about also; but Hercules was not long at a loss. He saw that two rivers, the Alpheus and the Peneus, were flowing close by; and by means of his great strength, and by working at a great rate, he managed to dam up these rivers in such a way that he caused them to rush in a mighty torrent through the stalls, which were thus washed out in one day. Having done this work thoroughly, Hercules then removed the dam, and the rivers flowed on in their proper beds once more.”

FROM THE GREEK MYTH.

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FOREWORD

In a broadcast at 8 p.m. on September 26, 1958, U Nu, the then Prime Minister of the Union of Burma, announced to the nation that he had invited General Ne Win, due to the prevailing situation regarding security and law and order and the conditions pertaining to the holding of a free and fair general election, to assume the reins of government. The announcement served to usher in what has come to be acknowledged as one of the most significant chapters in the annals of modern Burmese history.

On October 28, 1958, Parliament was convened and, following a unanimous nomination, a government to be headed by General Ne Win was constitutionally installed. General Ne Win, as Prime Minister of the new government, was specifically charged to restore security and law and order in the country and to create conditions necessary for the holding of a general election, free and fair, and as soon as possible. This was the magnitude of the trust placed on the government of General Ne Win.

At that period of inception of the new government, the general situation prevailing in Burma was most unenviable with its closeness to the brink of disaster; there prevailing then rampant outbreak of lawlessness throughout the country, due in large part to the political crisis and a growing breakdown in the administrative machinery, whilst the economic plight of the entire nation was becoming growingly more and more acute.

In an address to Parliament on October 31, 1958, Prime Minister General Ne Win outlined the policy to be pursued by the new government to fulfil the trust. Subsequently, an immediate assault was launched on the forces of lawlessness—political insurgents, criminals and economic insurgents; while a revitalization of the administrative machinery was swiftly and effectively set in motion to establish paramountcy of the agencies of law and order and also to revamp the governmental agencies of social and economic development and progress.

Yet, despite strenuous efforts of the government headed by General Ne Win to fulfil the trust, the period of six months envisaged for the huge task of restoring security and law and order in the country and the creation of those conditions that would be favourable to the holding of a free and fair election proved not quite sufficiently adequate. Consequently, Parliament convened again on February 13, 1959, and constitutionally provided for the government headed by General Ne Win to pursue further its fulfilment of the trust.

This fulfilment was ultimately expressed by the government in its announcement on December 19, 1959, that the conditions were now conducive to the holding of a general election, that would be as free and fair as possible, on February 6, 1960.

This is a chronicle of the various activities and achievements of the government headed by General Ne Win, during his period of tenure between October 28, 1958 and February 6, 1960, to vindicate the trust placed in it by the people of the Union of Burma. Never in the history of a nation was a nation's trust so trustfully placed and, in so short a time, so valiantly vindicated.





LIGHT

Overcast, the wretched sky
Is piled with murky clouds
But for a patch of light
Bright as new hope,
Brilliant with new light shining through.

This new light immaculate
Of resistless contagion
Will bend with curves,
And corner corners,
And Stygian caves illumine.

Steadily it will touch and thrill
And consume the sky,
Cleansing the last remaining blemish
To a final mellow blueness
Of the azure deep.

The National Ideology

* MAN'S ENDEAVOUR TO BUILD a society set free at last from anxieties over food, clothing and shelter, and able to enjoy life's spiritual satisfactions as well, fully convinced of the sanctity, dignity and essential goodness of life, must proceed from the premise of a faith only in a politico-economic system based on the eternal principles of justice, liberty and equality. This is our belief. We would rather give up life than give up this belief. In order to achieve the establishment of such a society, we have resolved to uphold this belief for ever in this our sovereign independent republic of the Union of Burma.

DEFENCE SERVICES CONFERENCE,
Meiktila, October 21, 1958.

* NOTE : This is the essence, in simple language, of the three Fundamental Documents (1) our Declaration of Independence (2) The first Address to Parliament of the first President of the Union (3) The Constitution of the Union of Burma ; all three of which encompass our National Ideology in its entirety.

Administration

Administration

1. MINISTRY OF HOME AFFAIRS
2. MINISTRY OF DEFENCE
3. MINISTRY OF JUDICIAL AFFAIRS
4. MINISTRY OF DEMOCRATIZATION OF LOCAL ADMINISTRATION
AND LOCAL BODIES
5. MINISTRY OF IMMIGRATION AND NATIONAL REGISTRATION
6. OFFICE OF THE PRIME MINISTER
7. MINISTRY OF FOREIGN AFFAIRS

Ministry of Home Affairs



U Khin Maung Pyu, Minister

The Ministry of Home Affairs includes the following departments and boards:

1. *Police Department.*
2. *Union Constabulary.*
3. *Fire Services Department.*
4. *Special Investigation Administrative Board and Bureau of Special Investigation.*

I. Burma Police Department

When the Bogyoke Government took over it was dedicated to three main objectives; firstly, to bring about law and order; secondly, to combat economic insurgents; and thirdly, to hold a fair and free election. All these objectives hinged on one main factor, that of law and order.

Formerly, the Police Force, burdened with many and varied duties, could barely stem the tide of rising crime; and crime, when coupled with insurgency, is a great challenge—to the forces of law and order. Consequently, when the Bogyoke Government assumed power, the first task was to bring about law and order. In order to strengthen the Police Force and to obtain

maximum efficiency, certain posts have been created.

The responsibilities and duties of the Inspector-General of Police being heavy in superintending and administering the Burma Police and the Union Constabulary for the restoration of law and order in the country, certain powers of the Inspector-General of Police were delegated to the Deputy Inspector-General of Police (Administration), who was designated as the Vice-Inspector-General of Police.

Thirteen posts of Special Deputy Inspectors-General were sanctioned by the Government at all Brigade Headquarters in addition to the existing four Range Deputy Inspectors-General.

A Deputy Inspector-General of Police was appointed to administer the Police Supply Department which was formerly administered by an officer of the District Superintendent of Police rank.

In order to cope with training courses now being inaugurated, a Deputy Inspector-General (Training and Planning) was posted at the Burma Police Headquarters to supervise them.

The Advanced Law Course and the Gazetted Police Officers' Training Course were organized in order that the Police Officers may be proficient in the legal and administrative branches of their work.

Police personnel were deputed to undergo such courses as the Young Officers' Course, Platoon Commander Course, Company Commander Course and the Basic Army Training of the Burma Army.

Moreover, in order to effectively carry on the Police administration and to enforce the rule of law, the posts of District Assistants were converted into those of Subdivisional Police Officers.

In the pre-war period, Police Stations were opened on the basis of the incidence of crime. As the system then aimed more at the crime situation than at the maintenance of law and order in the area, it was considered that in order to enforce law and order in rural areas, the opening of Police Stations was necessary.

It was also found in far-flung village-tracts that cases had not been reported for fear of reprisals because the Police Stations concerned were generally located in towns, and the absence of Government representatives in such areas appeared to favour lawless elements there. In fact the insurrection started from such areas. Accordingly, 64 new Police Stations have been opened in various districts and the result was an appreciable decrease in crime.

Moreover, as the insurgents avoided engagements with Government forces and concentrated more on cell organization, police outposts manned by Special Police Reserves were established in remote places. These Special Police Reserves successfully carried out fighting patrols and combed the remote areas.

It is now fifteen months since the inception of the Bogyoke Government. During this tenure of office the number of important crimes recorded was 6,201 as compared with 9,635 for the corresponding period of the previous year—a decrease of 3,434 cases.

Compared to the previous fifteen months, there has been a marked reduction of 639 murder cases. The number of dacoities has decreased by 1,568; robbery by 2,438 and kidnapping by 446 cases. The nature and volume of important crime committed during the last fifteen months compared favourably with the totals in each form of violent crime in a normal year, *e.g.*, 1938.

Crime still occurs but only of the more ordinary nature and it is considered that chaotic conditions which prevailed before the Bogyoke Government have been brought well under control.

There can be little doubt that this achievement is due largely to public co-operation. An equally important factor is the re-orientated attitude on the part of the Police Force to enforce law and order without fear or favour. The withdrawal of firearms and discovery of hidden arms have also played a great part, as also valuable assistance obtained from the People's Reporters, in contributing to this spectacular achievement.

II. Burma Fire Services Department

During the past ten years when the insurgents frequently attacked villages and some of the small towns in the districts, the people in those areas were compelled to leave their native places and flocked to the nearby big towns, where as refugees they

built dwelling houses and hutments in violation of all municipal bye-laws, rules and regulations.

There was hardly a vacant plot of land in any sizeable town which was not encroached upon by refugees from the districts. This state of affairs prevailed in every district all over the country. As time went on, these unauthorized hutments increased by leaps and bounds and developed into what are popularly known as "Kwetthits." These haphazardly built rickety structures were the cause of frequent outbreaks of fire and consequent suffering for the people.

Following the wave of nationalism which swept through the country just after the attainment of Independence the Union Government has provided all possible help and encouragement in promotion of cottage industries, and in course of time numerous small and large-scale home industries sprung up almost in every town.

Fire risks increased with the mushroom growth of home industries of various kinds. Many fires broke out in the "Kwetthits" and, much to the consternation of firemen, these had to be put out with great difficulty as the materials which burnt were so highly inflammable. Firemen could hardly, in many instances, manage to bring these fires under control.

For these reasons, measures for fire prevention could not effectively be carried out in all towns.

When the Bogyoke Government took over, all the "Kwetthits" were removed from all towns to suitable outlying areas where new towns were built for their accommodation, and the people required to construct their houses in accordance with building rules and regulations. The result was better housing, with good roads for these people.

Fire hazards have thus been reduced to a minimum. The following comparative

statement indicates the reduction of losses by fire during the tenure of the Bogyoke Government.

1-9-57 to 31-10-58 (14 months)	1-11-58 to 31-12-59 (14 months)
<i>Previous Government</i> Loss in Kyats by fire K 5,06,80,782	<i>Bogyoke's Government</i> Loss in Kyats by fire K 2,08,74,016

In the new towns of Okkalapa and Thaketa three fire stations have been established in consultation with the National Housing Board. Three Station Officers, seven Leading Firemen and sixty Firemen have been appointed to these five stations.

The Department conducts periodic inspections in these new towns, as well as in the various districts to supervise measures for fire precaution and prevention. A remarkable achievement during the term of office of General Ne Win's Government was the successful organization of "fire kins" in all the towns in the country.

It is a matter for gratification that these "kins" have proved most effective in preventing outbreaks of fire through various causes.

The Department has distributed 371 fire engines to all volunteer fire-fighting associations throughout the country. Under the Bogyoke Government, two additional fire engines and accessories for fire engines in service have been procured by the Department and brought into use.

The Fire Service Act has not yet been enforced in the constituent States of the Union but every attempt is being made by the Department in co-operation with Army officers and the respective State Governments to organize efficiently run fire-fighting services in all the States.

III. The Special Investigation Administrative Board and Bureau of Special Investigation

At the outset, it may be mentioned that the Special Investigation Administrative Board and Bureau of Special Investigation

has achieved remarkable results during the tenure of the Bogyoke Government.

One of the notable achievements of the Bureau of Special Investigation during the period is that, in addition to their normal duties, they could play a prominent role in the combating of economic insurgency by bringing down the prices of essential commodities, which is one of the declared major functions of the Bogyoke Government.

In addition, the Bureau of Special Investigation actively engaged itself in the suppression of black-marketeering rackets in so far as the Civil Supplies Management Board and the Co-operative Departments are concerned. The Bureau, in collaboration with other Government departments, has also carried out the following functions :

- (1) Inspection of imported goods such as dried prawns, dried fish and groundnut oil, etc., so as to

ensure that such commodities are imported with correct prices and that the quality is up to the required standard;

- (2) Verification of bogus import and export companies on behalf of the Import and Export Licensing Board;
- (3) Checking of transport and ticketless travellers on Inland Water Transport Board boats;
- (4) Removal and resettling of hutments by Rangoon Corporation;
- (5) Inspection of paddy, rice and rice products belonging to the State Agricultural Marketing Board, and
- (6) Inspection of industries in Rangoon and Insein areas.

During the period under review, successful results were also achieved in cases taken up by the Bureau as shown below:

The total number of cases reported to the Bureau during the regime of the



Opening of the Boys' Club sponsored by the Police Department

Bogyoke Government from November 1, 1958 to February 6, 1960 was 1,309 out of which 978 cases (*i.e.*, about 75 per cent) were sent up for trial. Of this number, 577 cases (*i.e.*, about 59 per cent) ended in conviction and 313 cases are pending trial.

The total value of property involved in these cases was K 1,16,29,591 and the total value of property recovered was K 22,30,394. The total value of fines realized in the convicted cases was K 71,180.

The total number of cases reported during 1957 were 352 out of which 134 cases, *i.e.*, about 38 per cent, were sent up for trial and the total value of property involved in the cases was K 68,66,165 out of which K 8,74,182 worth of properties were recovered. The total value of fines realized in the convicted cases during the year was K 15,024.

Looking at the 1958 figures, it would be found that cases reported during the year were 256 out of which 140 cases (*i.e.*, about 54.6 per cent) were sent up for trial. The total value of property involved in these cases was K 72,78,150 out of which the total value of property recovered was K 59,230. The total value of fines realized in the convicted cases during the year was K 3,486.

The total number of persons complained against during the regime of the Bogyoke Government were 1,789 and the total number of persons sent up for trial were 1,284 out of which 685 persons, *i.e.*, about 83 per cent, received conviction and 459 are still standing trial.

In 1958, the total number of persons complained against were 407 out of which 183 were arrested. A total of 46 persons *i.e.*, 57.5 per cent, were awarded conviction by Courts and 103 persons are still standing trial.



Police personnel control traffic and help children across busy thoroughfare at one of the Schools in Rangoon (Photo was awarded prize in International Photo Contest, Tokyo, Oct. 1959).

Statistically, there is an increase in the number of cases investigated and prosecuted by the Bureau during the regime of the Bogoyoke Government, if compared with corresponding periods of the previous two years. The increase is attributable to a considerable number of cases being taken up under the Foreign Exchange Regulation Act and the Essential Supplies and Services Act, as the policy of the Bogoyoke Government calls for action that would tend to lowering the cost of living.

Although the Suppression of Bribery and Corruption Act has been omitted from the Schedule since July 1957, the Bureau of Special Investigation has had to take up the investigation of bribery and corruption cases falling within the purview of that Act under the specific orders of the Government.

Following this, results of investigation were invariably submitted to the Ministries concerned for further action.

IV. Rangoon Police

(A) INTRODUCTION

The Rangoon Police can record this period as the most successful in its annals. Hitherto, the public have had not too high an impression of the Police and it was generally felt that the Police of the present day had not been able to match the standard of the Police before the war. The reason which gave rise to such criticism was that the Police in the past have never had the opportunity to prove their efficiency as they have had now under the present Government.

Due to the firmness of the Bogoyoke Government there have been no labour clashes, no demonstrations, no strikes nor any other civil disturbances. Previously such incidents used to cause a heavy drain on the manpower of the force, so much so that preventive measures for crime could not be effectively carried out. In the

absence of such dissipation of manpower, the Police are now able to concentrate more on their primary duty of crime suppression.

The Bogoyoke Government also removed all obstacles which used to come in the path of duty such as undue interferences and influences. Having had a free hand and a strong support, the Police are now able to show their worth and efficiency and to usher in a new era of peace in the city and for the people to pursue their respective avocations without any anxiety or fear.

Without doubt, during the period of General Ne Win's Government the Police have received much more co-operation from the public than before. The relations between the Police and the public have never been so good. In this context, the public have now come to realize what the Police stand for and what civic responsibilities they themselves have to shoulder. A deep impression has also now been created in the public mind that the Police force is one in which the public can have all confidence. This is a good sign of the times and augurs well for the future of the Police force in the country.

The Rangoon Police have now been enabled to carry out their programme of work most effectively for the benefit of the citizens. It is only during this period of the Caretaker Government that the Police could afford to be firm and decisive in their actions without fear or favour. The city of Rangoon may now be said to have been resurrected from the former state of chaos and indiscipline when crime assumed alarming proportions.

(B) CRIME

The crime situation in Rangoon has never been so satisfactory. The crime-graph for the 11-year period from 1949 to 1959 speaks volumes for the success achieved by the Police under the Caretaker Government in the suppression of crime.

It will be seen that the number of cases reported dropped from 6,676 in 1958 to 4,759 in 1959. The year 1959 is not only a record year for the post-war period but also for the pre-war period as far as suppression and prevention of crime is concerned.

The last annual report published by the Rangoon Police before the war was for 1938. It showed that there were 6,278 cases in that year. The year 1959 recorded 1,519 cases less than in 1938. Considering the fact that there were only 450,000 inhabitants in Rangoon in 1949 and over 800,000 in 1959, the Police cannot help but feel proud that the amount of hard work they have put in have indeed produced good results.

In analysing the factors which contributed to this success, it is discovered that the following have been contributory causes :

- (1) The Police Force received all the necessary assistance and support of the Caretaker Government and they were free to carry out their responsibilities without fear of being unduly interfered with or influenced by anybody.
- (2) The Police received all-out support from the Defence Services, both physically and morally.
- (3) The Police strove their utmost and poured all their efforts into the programme of work for maintenance of law and order as promised by General Ne Win on his assumption of the premiership.
- (4) The hutments and slums which used to be very convenient hiding places for criminals were removed from the city.
- (5) The relations between the Police and the public improved abundantly and the Police received more co-operation from the public than before.
- (6) With the formation of the National Solidarity Associations there has

been more discipline and more respect for the law among the public.

- (7) Preventive measures were taken against all bad characters effectively.
- (8) The speedy disposal of cases in the courts of law led to a growing respect for the forces of the law.
- (9) New measures for combating crime were adopted by the Police, such as a proper indexing of crime and criminals, increase in the Police strength, opening of new Police Stations, and systematic patrolling of all localities.
- (10) There was no wastage of manpower in dealing with civil disturbances, and the Police were free to pay full attention to crime suppression.

Under the Bogyoke Government, the Police have not only set an all-time low record of crime for 1959 but also for one particular day. That was on May 31, 1959, when there were only two cases of a petty nature in the whole of Rangoon.

Needless to say, the citizens of Rangoon had long been crying out for law and order. The Rangoon Police have shown what they could do for them. They are also resolved to maintain such peaceful conditions forever. There is no reason why the Police cannot achieve the same result and maintain peace forever if such support and confidence given by the Bogyoke Government is forthcoming also from future Governments.

The public have now enjoyed the fruit of the labours of the Police. The Police on their part are also glad of the opportunity to show what they can do for the public if the backing of the Government is received. Notwithstanding the heavy volume of work and the absence of holidays for the Police, they are happy in the thought that their efforts have borne fruit.

It would not be out of place here to mention the robbery which occurred in the

home of Dr. Ba U, former President of the Union. This case occurred not long after the Caretaker Government took over and valuable property and jewellery worth a few lakhs were taken away. The case posed a direct challenge to the Police since there was hardly any clue to work on. In fact the case turned out to be a tough nut to crack for the detectives of Rangoon. Though it took a few months to unravel the case, the Rangoon Police take full pride in having being able to bring it to book at last. A very large portion of the property lost was recovered and the culprits were brought to book in no time.

Another achievement of the Police under General Ne Win's Government was the opening of a Boys' Club. The Rangoon Police have been trying to open one for the past five years without success. Owing to the generosity of the Rangoon Boys'

Home Trust in placing one of its buildings at the disposal of the Police and the firmness of the Corporation in evicting unauthorized occupants from that building, it has been possible to found the Rangoon Boys' Club.

The boys of Rangoon now have a place for their recreation and amusement and are no longer exposed to the dangers attendant on playing in the streets. The Police could not be happier since they were able to open this Club at that crucial moment when juvenile delinquency and teddy-boyism were just about to develop into a serious problem in Rangoon.

In order to cope with the growing population in the city itself and the three satellite towns, the number of patrol cars has been increased to 30. These are on constant patrol for 24 hours each day and are being fitted with more up-to-date communications equipment.



Besides the achievements mentioned above, the Rangoon Police have chalked out other programmes of work for the public, one of which is to install telephones for beat-constables.

These telephones would be placed at strategic and important places in all localities in order to facilitate easy and quick means of communication with the Police Stations concerned.

Police work together with public to clean up the City of Rangoon

(C) TRAFFIC

The Rangoon Police not only achieved satisfactory results in the suppression of crime but also in handling traffic problems. The improvement in traffic conditions and discipline in the city resulted in a drop in the number of accidents, in spite of the increase in the number of vehicles.

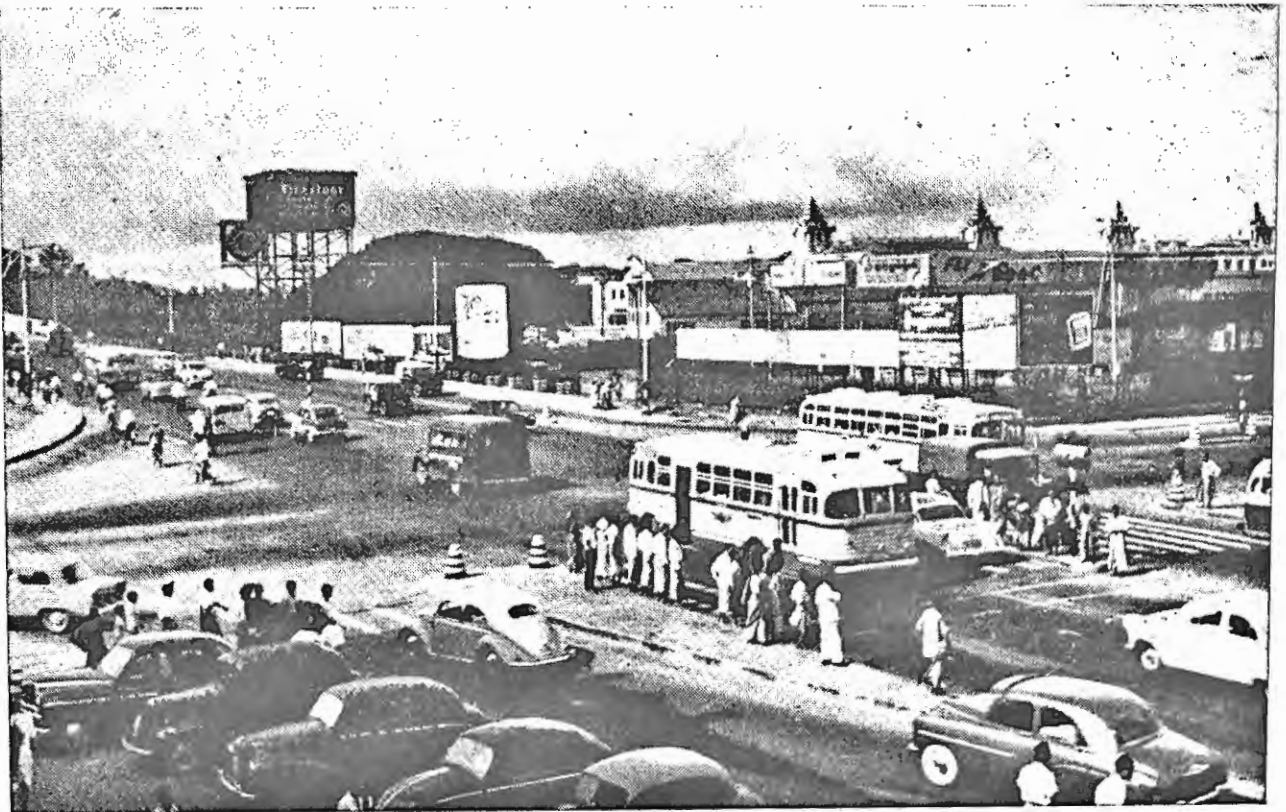
Accompanying the graph is a barometric statement showing the increase in the efforts of the police in combating road indiscipline and infringement of motor vehicle rules. There was more checking on vehicles in 1959 than previously and this is evident from the increase in the number of cases dealt with.

One noteworthy measure adopted was to suspend or cancel more driving licences of offenders than before. It was found that a fine of K 20 or K 25 was too inadequate to deter them from traffic offences. Only the suspension or cancellation of licences have had the deterrent effect on offenders.

(1) *Sule Pagoda Road Round-about.*—One eye-sore and curse of all motorists in Rangoon and those coming from the districts had been the Sule Pagoda Road round-about which proved to be more of an obstruction than a round-about.

The Rangoon Police had urged the Rangoon Corporation several times in the past to remove this round-about in order to ease traffic flow and relieve congestion. Doubts were expressed at the proposal and hints were even made that if traffic did not flow smoothly after its removal, the Police Department might have to pay for the cost of it.

Having failed to convince the Corporation authorities, an alternate proposal was made to construct a fly-over bridge over this round-about. This proposal also encountered many difficulties. It was explained that since the proposed bridge would be in the form of an extension of the existing Sule Pagoda bridge it would



Removal of Sule round-about provides for smoother flow of traffic

be a constructional problem and that the existing bridge was also too old to bear the weight of the new bridge and the volume of traffic.

The city fathers also expressed the fear that such a new bridge might prove unsightly in the heart of the city. Since then, six years had elapsed without anything being done about the proposal. If one were to work out the cost of petrol and the amount of seconds and minutes which the motorists had to spend at this junction, it would be an alarming figure.

With the supersession of the Rangoon Corporation by the Government, the proposal to remove the round-about was taken up immediately and the Corporation lost no time in removing it. With traffic signals now installed, the proposal put forward by the Rangoon Police has proved constructive and beneficial.

On studying the rate of traffic flow after working out the number of vehicles and the time spent at this junction, it is discovered that traffic now proceeds four times faster than before. The appreciation expressed by motorists in this direction has been very heartening.

(2) *Parking*.—Parking, though not a very serious problem in Rangoon, had never been systematic. It was only under the Bogyoke Government that parking rules were enforced and certain areas in the heart of the city prohibited from parking. This has resulted in a much smoother flow of traffic.

(3) *Slow-moving Vehicles*.—Types of vehicles that had been an annoyance to motorists in the congested parts of Rangoon were trishaws, push carts and pony carts. These vehicles have now been prohibited in the heart of the city, and traffic congestion has thus been considerably eased.

(4) *City Transport*.—The bus service in Rangoon had been far from satisfactory. Buses, as a matter of course, would stop

anywhere they liked to load or unload passengers, and would drive most recklessly.

Their fares were high and not at a uniform rate. All their routes converged on Theingyi Bazaar, and parking was extremely disorderly even in places allotted for the purpose. Smoking in buses gave rise to unpleasantness and sometimes quarrels, used tickets were thrown indiscriminately, the seats were all covered with dirt and dust and drivers sometimes proved obstinate in refusing to stop at the bidding of passengers.

The Bogyoke Government has put a stop to all these disgusting practices. Fares were brought down by about 20 per cent and standardized according to distance travelled, irrespective of routes. Smoking on buses was prohibited and it was required of the bus services to provide receptacles for used tickets. In addition, routes which had been drawn up purely for the benefit of the bus owners were reorganized so as to better serve the travelling public.

(5) *Bus routes*.—There had been no bus route to link Kemmendine in the west with Tamwe in the east. A direct route has now been opened on that line and passengers can now travel eastward or westward conveniently.

(6) *Pony carts*.—Pony carts were an out-dated type of public transport, which had led to much traffic obstruction and congestion in the city. As a measure to implement the "Greater Rangoon" project and also to relieve traffic congestion all pony carts have been prohibited from plying along the streets of Rangoon with effect from April 1, 1959.

(7) *Trishaws*.—For lack of discipline and non-observance of traffic rules trishaws were no better. Considering, however, that they provided the cheapest and most convenient means of transport for the lower income groups, they have been permitted to continue to serve the travelling public,

but licensing rules relating to trishaws have since been enforced strictly and much improvement has resulted in this public transport.

(8) *Taxis*.—Taxi cabs also presented a problem to the Rangoon Police. No meter system had been installed, the fare from one place to another depending entirely on the whims and fancies of the driver.

They would also carry as many passengers as they wished and parked anywhere they liked. Worse still, there had been a racket in regard to taxi stands. Although these stands were in fact meant for parking of all taxis in Rangoon, it so happened that a person or group of persons connected with political organizations would monopolize a stand as his or their own and restrict parking to those cabs whose owners had been members of his or their organizations and who paid fees to them monthly.

This racket has been exposed and eliminated and taxi stands have been systematically located so that any registered taxi can now park there provided the maximum number of taxis for parking is not exceeded. In addition, taxi cabs have had to be filled with taxi-meters for the benefit of the travelling public.

(9) *Motor Vehicle Registration*.—The Rangoon Police in the past had made a proposal to Government suggesting that the system of annual renewal of registration of motor vehicles be changed on the basis of a staggered monthly system.

Under the old system it was inconvenient both for the public and the Police authorities in having to undertake the renewal of registration of all private vehicles in the month of December each year and of the half-yearly renewal of hired vehicles in the months of June and December.

The police had never therefore been able to make proper inspection of all vehicles. Delays in the reissue of registration booklets also occurred. Moreover, while the staff of the Motor Vehicles Department were being

swamped with a rush of work during June and December each year, they had hardly any work to do during the remaining months. The Rangoon Police proposal had not received due consideration till General Ne Win's Government assumed office.

Under the new system in force, renewals of registration of respective motor vehicles can now be undertaken in loosely specified periods of renewals and, consequently, the Police have had sufficient time to conduct a thorough inspection of vehicles. Besides, the new system has proved most convenient for motor car owners as well.

(10) *Inspection of Motor Vehicles*.—In the inspection of motor vehicles for renewal of licences in the past, the Rangoon Police had had to contend with political influence which had largely impeded the progress of their normal functions.

The removal of political barriers or undue influences by the Bogyoke Government has given the Police a completely free hand to enforce the provisions of the Motor Vehicles Rules and enabled them to undertake inspections without any fear or favour. In this respect, the Rangoon Police would like to place on record its debt of gratitude to the personnel of the Burma Electrical and Mechanical Engineering Unit of the Burma Army who have assisted them with manpower and technical know-how.

(11) *Public Vehicles*.—To achieve whatever was possible during the short term of office of General Ne Win and in particular to improve the general standard of public vehicles, liberal issue of import licences for public service type vehicles has been made. This step has augmented considerably the number of public service vehicles in Rangoon. In this instance, a good number of three-wheel cabs have been imported to serve the public at low fares.

(12) *Other Traffic Measures*.—Among other measures to improve traffic conditions

in Rangoon are the marking of white lines painted on certain roads to channelise the flow of traffic. Many pedestrian crossings have also been marked at important points and the Rangoon Police have introduced for the first time the use of whistles in controlling and directing traffic.

(13) *Future Plans.*—In addition to what has been accomplished, the Rangoon City Police has also a programme of work in hand to improve traffic conditions still further. Salient aspects of this programme are outlined below :—

- (1) About 35 more intersections will be fitted with traffic lights in the city and the new traffic signal system will be an improved version of the present one, in that those in the built-up area will be progressively timed to allow a vehicle which has obtained a green face to continue to get the green light at every intersection, provided it moves at the controlled speed and without turning.
- (2) Traffic islands will be constructed at important intersections to prevent motorists from cutting across corners, and also to provide pedestrians with refuge islands.
- (3) On wide roads, separate traffic lanes will be marked for slow and fast moving vehicles.
- (4) A new office will be built for the Motor Vehicles Department with adequate parking space and equipped with test instruments for vehicles.
- (5) A new office will be built for the Traffic Division to be located at a more convenient place for the public than at present and which will provide ample parking space and accommodation for traffic staff also.

- (6) About 50 more motor cycles are being purchased for the Traffic Division, some of which will be equipped with two-way radios.

(D) PUBLIC DISCIPLINE

As a result of the war and the general insurrection in the country, the standard of public discipline had deteriorated to alarming proportions. Because of insecure conditions in the districts, hundreds of thousands of people flocked to the city and built hutments haphazardly on Government as well as on private lands to settle down.

These rickety structures had been constructed under unhygienic conditions extremely deleterious to public health and in complete disregard of the Corporation bye-laws. Exposed as they were to constant fire hazards, these hutments had been the main cause of disastrous fires in the city every year.

General Ne Win's Government immediately set to work to put matters right and in particular to promote discipline and instil civic-consciousness in the people. In this, much assistance was provided by the National Solidarity Associations and various Government departments.

As a means of solving the squatters' problem, over 150,000 people were removed from these slums and hutments and settled in three new satellite towns. Other measures to instil a sense of discipline in the people were also adopted with gratifying results. Litter is no longer thrown indiscriminately as before, roadside drains are no longer used as lavatories, posters which used to mar the city have disappeared and loudspeakers and amplifiers no longer blare at night. Local bullies have been placed under constant police surveillance and the general public no longer need to look out for squalls in their respective localities.

It would be impossible to enumerate all cases of improvement in discipline.

The fact that marked improvement has been made all round can best be illustrated by the observations of a visitor from abroad who has been to Rangoon about a year and a half ago and revisited Rangoon recently. According to him, he could not believe his eyes on seeing the present state of the city and wondered whether he was really in Rangoon.

Mere improvement in discipline is not enough. What is most important is to maintain discipline forever. This obviously depends on how far a Government is firm and decisive. However, since the seeds of discipline have been sown it is only a matter of time before the harvest is reaped.

(E) NATIONAL SOLIDARITY ASSOCIATIONS

Mention has been made of the advantages derived from National Solidarity Associations. It is proposed to mention further the benefits obtained by the Police and the public from them. It was in fact these associations that linked up the Police and the public during the time of the Bogyoke Government.

This unity was largely responsible for the improvement in public discipline, crime prevention and maintenance of law and order. It is a known fact that no Police force in any country can successfully maintain law and order without the co-operation of the public.

Hitherto, much propaganda had been made for the Police and the public to join hands. This propaganda was successful only to the extent that both sides merely stretched out their hands without actually approaching each other. Now that the National Solidarity Associations have virtually brought the people and the Police together, marked improvement in public co-operation and support for the Police has been assured.

(F) TRAINING

The Rangoon Police had never had such a variety of training courses as they have had under the Bogyoke Government. Much co-operation and help was received from the Defence Services and the Institute of Public Administration over and above the full support of the Government. It was not only the Police officers who benefited from these courses but also office-clerks and ward-headmen.

(G) MORALE

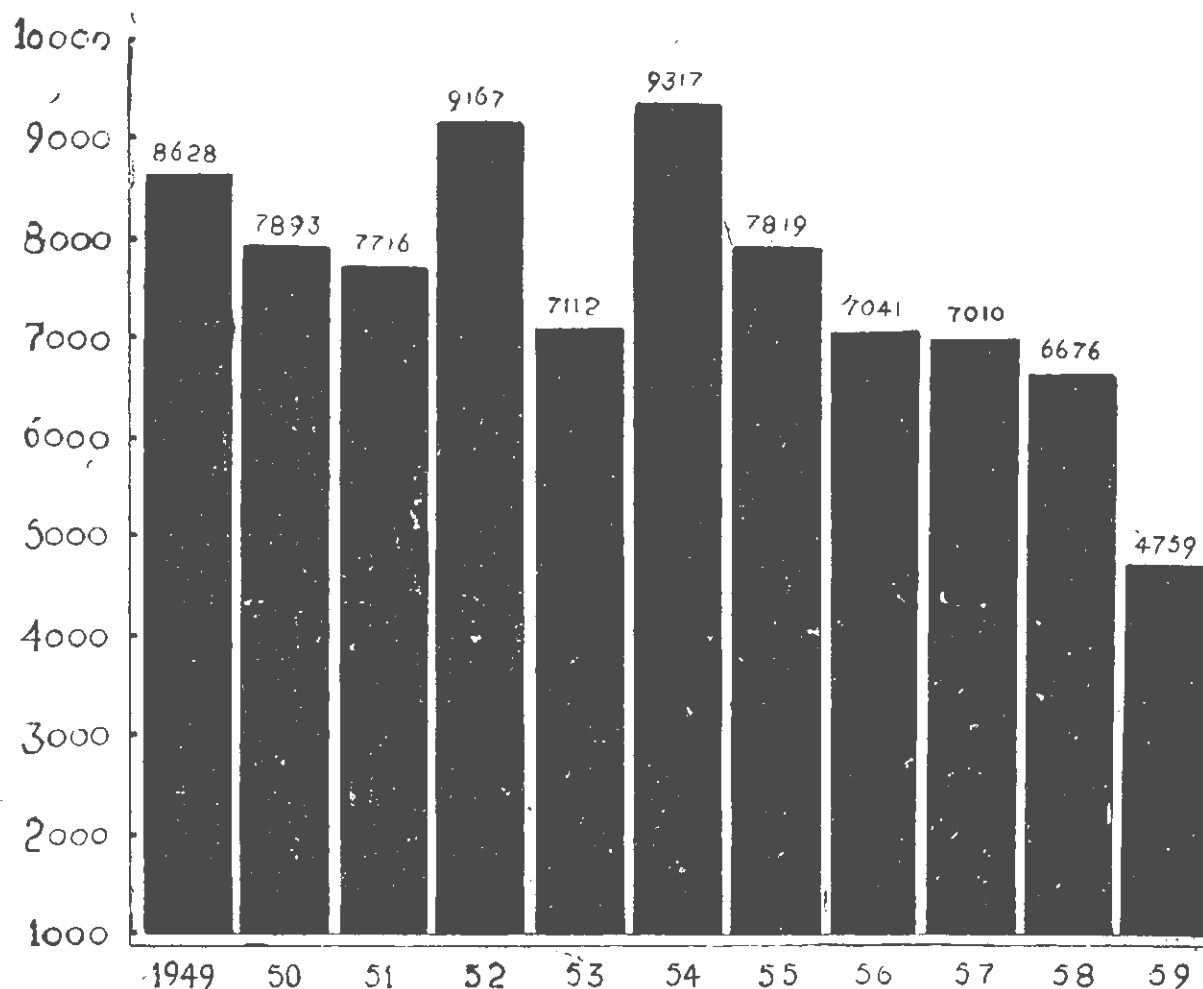
The morale of the Police has never before been so high in the history of the Police Department. This has come about due to the Government's decisiveness, firmness, all-out support, non-interference in normal procedures and removal of political and other undue influences. In the circumstances, the Police have now a free hand to work according to the requirements of law.

Morale, needless to say, is one of the most important requirements in a Police Force. If a situation conducive to high morale could be maintained always, there is no doubt but that the Police Force will emerge from the present state of obscurity to become one of the most efficient forces in the country.

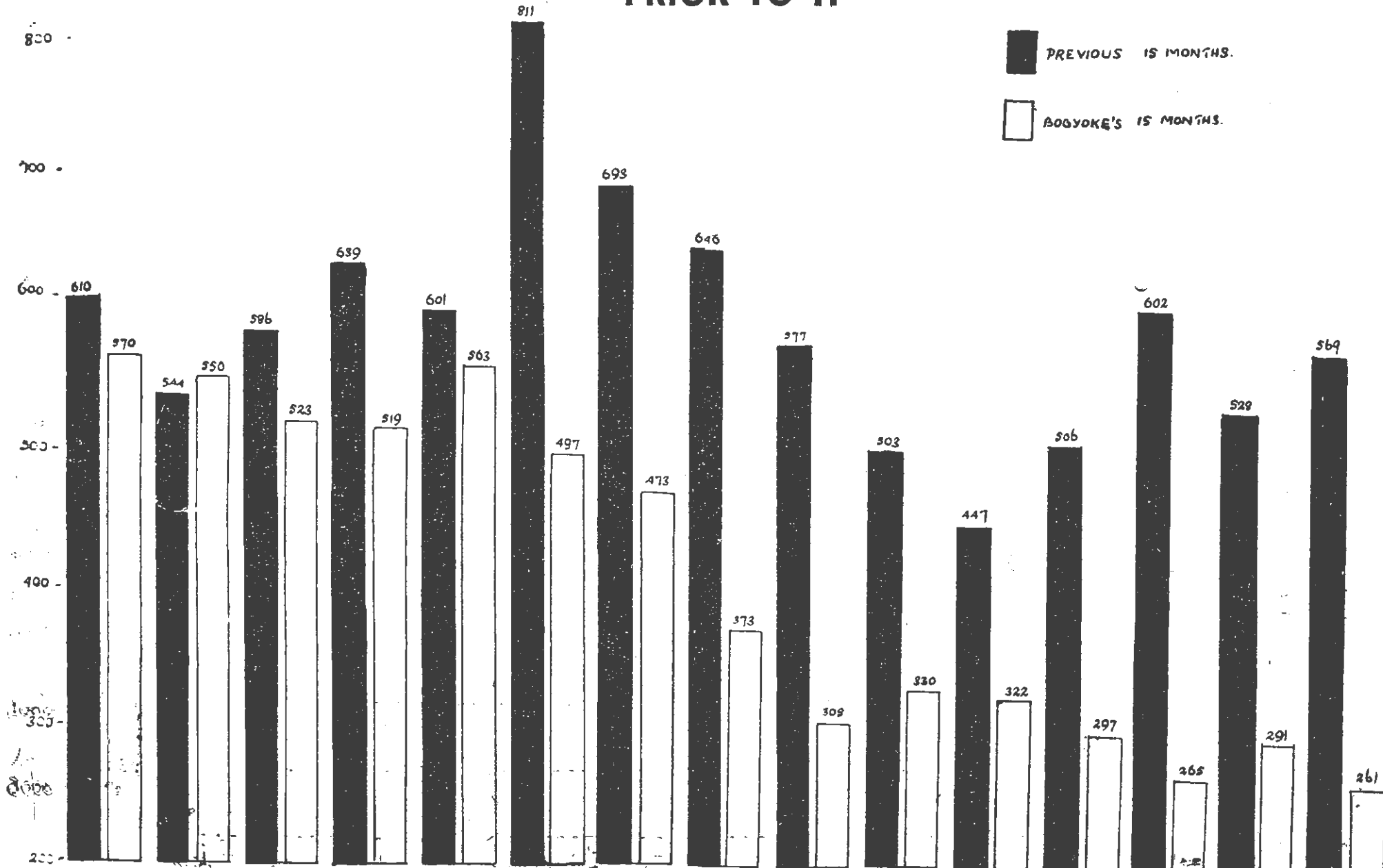
If, on the other hand, the morale of the Police is low, it would only pave the way for an unhappy situation where they will, in all likelihood, discharge their duties but perfunctorily.

The Prime Minister, General Ne Win, fully realized this salient aspect and has accordingly directed efforts towards the raising of the morale of the Police Force. In conclusion, the Rangoon Police cannot help but record the term of office of General Ne Win's Government as the most successful and eventful in the annals of the Police Department in the Union.

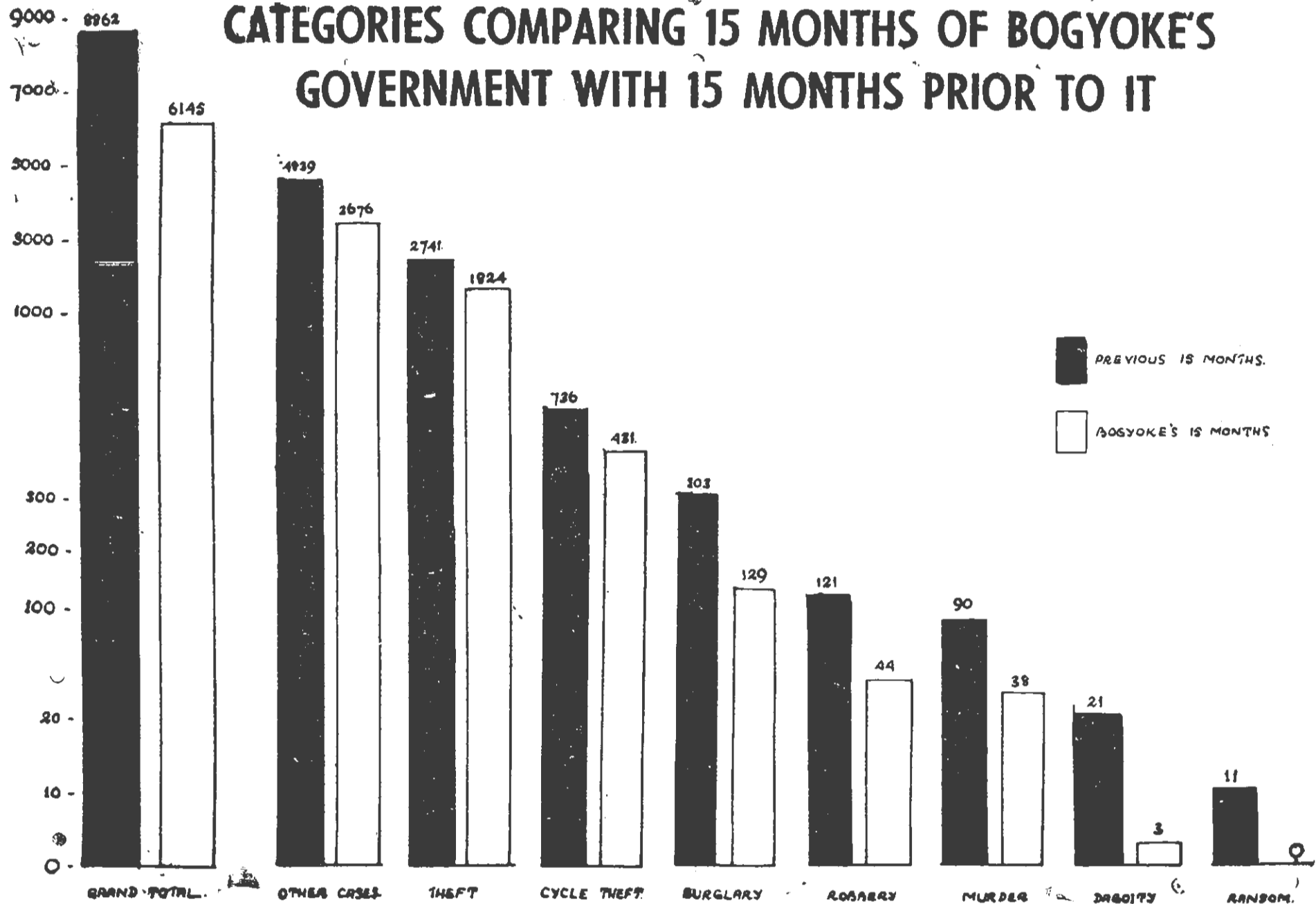
YEARLY COMPARATIVE STATEMENT OF CRIME OF ALL TYPES IN RANGOON FOR 11 YEARS



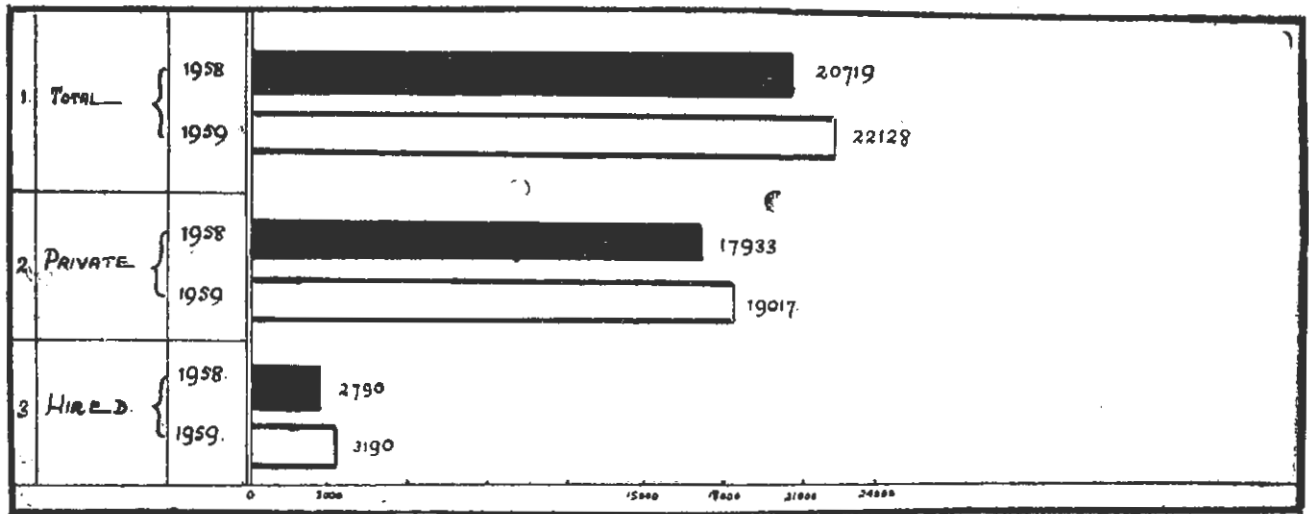
STATEMENT OF CRIME OF ALL TYPES IN RANGOON COMPARING 15 MONTHS OF BOGYOKE'S GOVERNMENT WITH 15 MONTHS PRIOR TO IT



STATEMENT OF CRIME IN RANGOON ACCORDING TO THEIR CATEGORIES COMPARING 15 MONTHS OF BOGYOKE'S GOVERNMENT WITH 15 MONTHS PRIOR TO IT



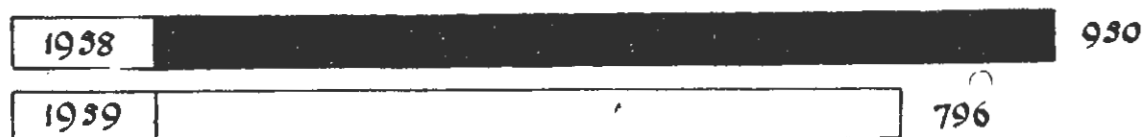
NUMBER OF MOTOR VEHICLES IN RANGOON IN 1958 AND 1959



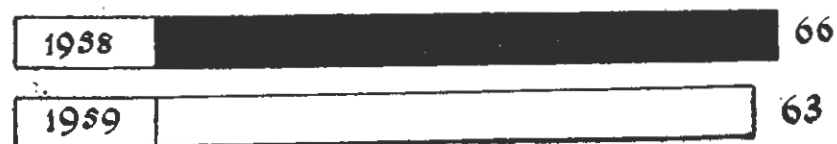
COMPARATIVE STATEMENT OF TRAFFIC ACCIDENTS IN RANGOON 1958 AND 1959



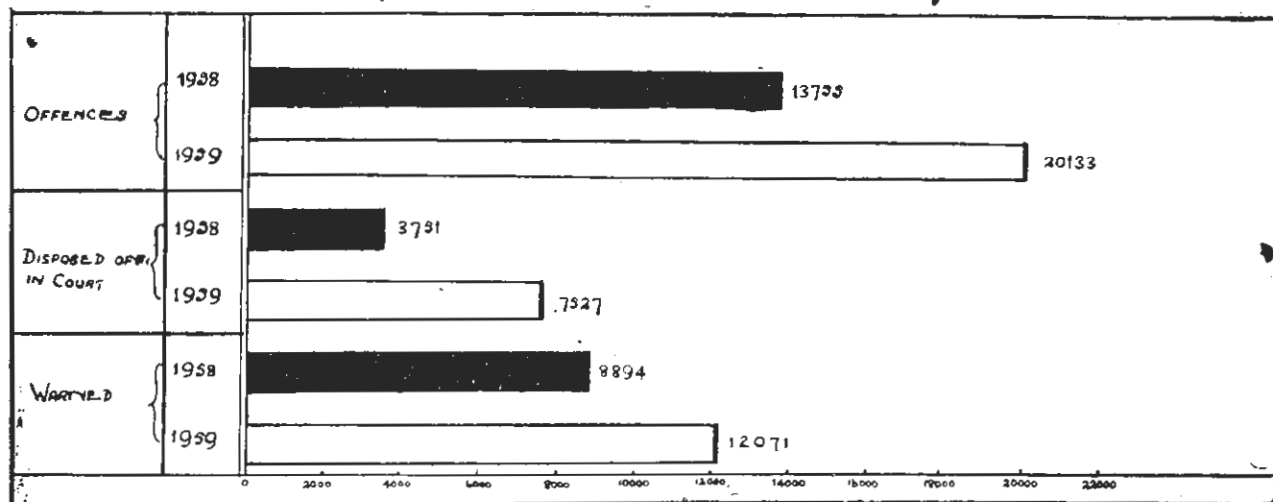
NUMBER INJURED.



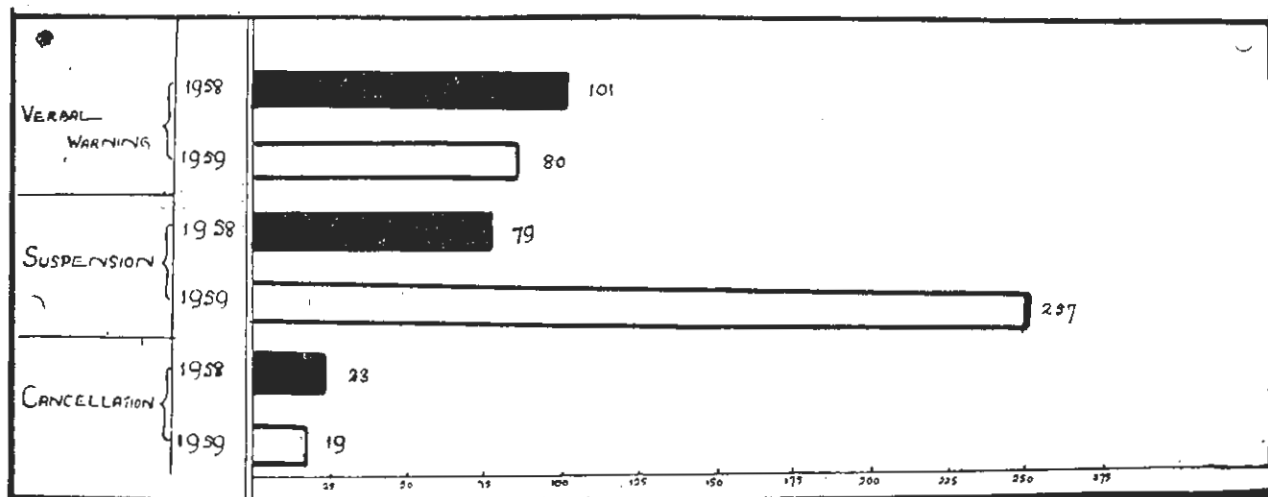
NUMBER KILLED.



NUMBER OF CASES INSTITUTED BY THE TRAFFIC POLICE UNDER THE MOTOR VEHICLES ACT AND RULES IN RANGOON IN 1958 AND 1959



NUMBER OF CASES OF VERBAL WARNINGS, SUSPENSION AND CANCELLATION OF DRIVING LICENCES IN 1958 AND 1959 IN RANGOON



Ministry of Defence



Prime Minister General Ne Win

It is most evident that outstanding success was achieved in suppression of the insurrection during the tenure of office of General Ne Win's Government. This outstanding success was possible because civil officers and personnel and the public realized their duty and rendered assistance to the Defence Services.

The extent to which success was achieved in suppression of the insurrection, to what extent the insurgents were broken up and destroyed and how effective was the co-operation rendered by the public in this direction is outlined in following detail:

During the first week of November 1958 when the Government of General Ne Win assumed office there were about 9,000 insurgents of different categories in Burma. If those individuals and organization members who aided and abetted the insurgents are also to be included, the total would be about 15,000. The armed

strength of such insurgents shown by categories will be as below:

(a) White Flag Communists	...	3,050
(b) Red Flag Communists	...	750
(c) KNDOs (Karen)	...	3,700
(d) MNDOs (Mon)	...	30
(e) Shan Insurgents	...	Figures not yet available.
(f) Mujahids	...	120
(g) Chinese Nationalists	...	1,350

In the above list of figures, certain categories of insurgents should be regarded as having fluctuations in strength from time to time. There are among them certain elements who lie inactive when the situation is not advantageous and revive their activities only when the situation is to their advantage.

The Shan insurgents showed more group activity after the assumption of office by the Government of General Ne Win. They do not have a fixed standing strength and are estimated to be between 500 and 1,500 strong.

As for the MNDOs, following their surrender as an organization, there remained over 30, with some outlaw gangs acting in conjunction with them. When these dacoits are added to the MNDOs, they then number about 80.

The KNDOs also are known to be of increased strength in some places, as they are training new recruits. The strength of both the Chinese Nationalists and the Mujahids also fluctuates as they are prone to cross the borders and move in and out of the country.

(A) MILITARY OPERATIONS

During the Government of General Ne Win, there have been continuous and intensive operations to suppress the insurrection. Unlike previously, the system whereby operations are maintained during dry weather only and a respite taken during the monsoons has been scrapped.

It is particularly noteworthy that the present army operations continue uninterrupted during the monsoon and summer as well. This system has revealed the capacity and stamina of the Armed Forces. As insurgents now do not obtain a respite during the monsoon season and have always to be on the run, a strong process of diminishing and disintegration in their strength is noticeable.

In the sphere of military operations, too, certain improved and advanced methods are being employed. Support power in the form of the air force, navy, artillery and tanks, the police, military police, police reserve, local defence forces and People's Reporters and civilian corps, armed with bows and pointed bamboos, are also combined for employment as consolidation of the public strength to destroy the insurrection by its roots. Public co-operation, never before secured, is now received in great measure.

In suppression of the insurrection, military operations alone are not employed.

It is combined with the use of psychological warfare, relief, resettlement and such other social service activities.

Due to the combination of such factors, the insurrection has been destroyed far more speedily than would normally be the case. The suppression of the insurrection is explained in detail according to the respective brigade jurisdictional areas:

1. *North Burma Area Headquarters.*—

(a) *First Division.*—This area which includes Mandalay, Kyaukse, Meiktila and Yamethin Districts used to be the stronghold of the White Flag Communists and the Red Flag Communists. It served as the White Flag Communists' Central Burma Division. It had such White Flag Communist leaders as Thakin Pe Tint, Bo Pu and Saya Kun.

Now Bo Pu and Saya Kun have shifted to the Shan State, while Thakin Pe Tint, with some of his men are hiding in the rural countryside near Pyinmana.

Due to the continuous military operations from our side, this area is now peaceful and secure to a great extent.

In this area, occurred 51 engagements, in which 28 insurgents were killed, 23 of them wounded and 30 captured and 55 surrendered. Arms and ammunition taken by our troops comprised 3 bren-guns, 12 sten-guns, 66 rifles and 30 other firearms.

(b) *1st Brigade.*—This area, which includes Sagaing, Monywa and Shwebo Districts, was once infested by large numbers of White Flag and Red Flag Communist insurgents. It was the No. 3 divisional headquarters of the White Flag Communist insurgents.

Due to the military operations launched during the Government of General Ne Win and the activities of People's Reporters, White Flag Divisional Military Commander Ahlawarka was captured dead. White Flag

Communist Divisional President Thanmani Maung Maung and Committee man Sein Win were also captured and the insurgent divisional headquarters destroyed.

Bo Yan Aung and a few followers fled in separate groups in the direction of Mawlaik and Phaungpyin and now remain in hiding. As the remaining White Flag insurgents fell in engagements or were captured or surrendered, practically none of them are now left in this area.

As for the Red Flag Communists, some small bands of them are hiding in the area on the boundary between Monywa District and Thabeikkyin in Shwebo District. Their strength is gradually diminishing and they are obliged to take refuge in the deep jungle fastnesses.

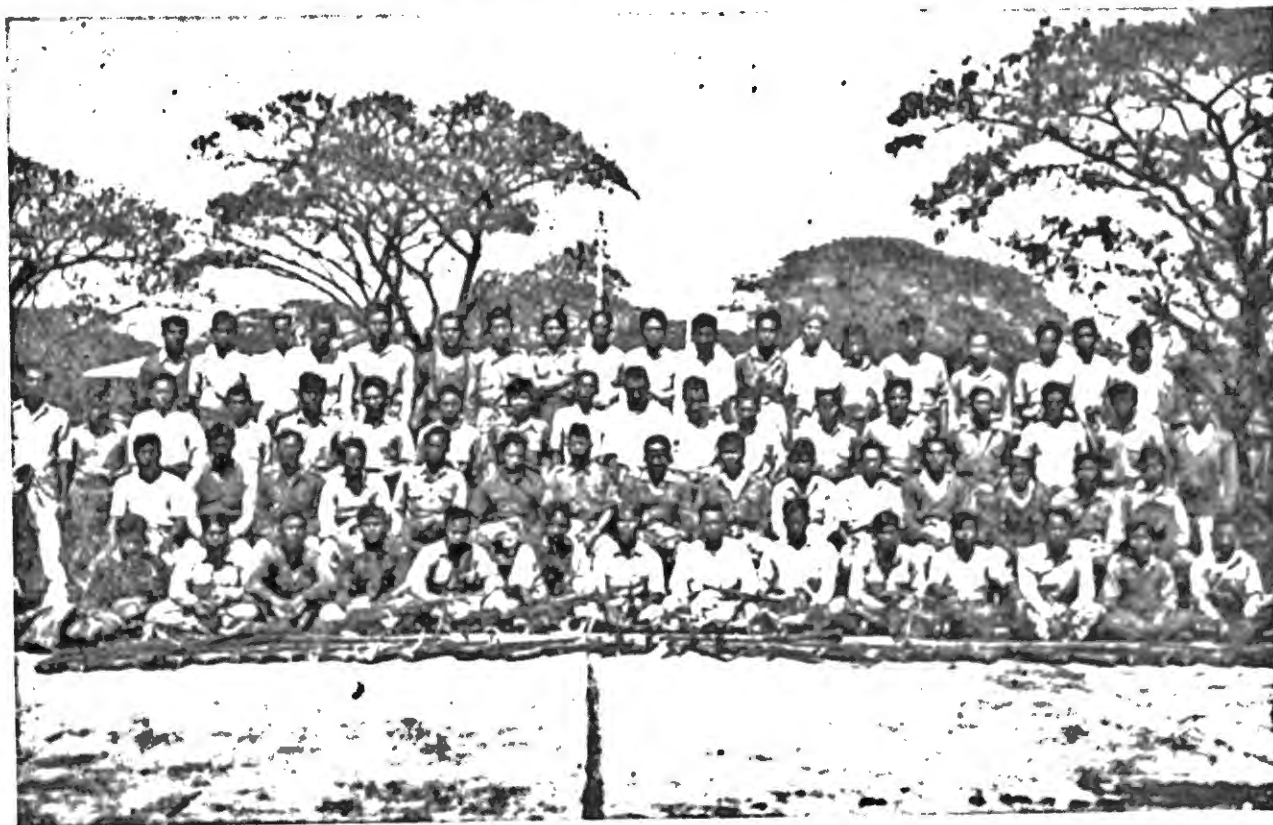
In this operational area, there were 80 engagements, in which 55 insurgents fell, 49 wounded, and 70 captured. Altogether 116 of them surrendered. Arms seized comprised 11 bren-guns, 8 sten-guns, 142 rifles and 36 various other firearms.

(c) *4th Brigade*.—In this area, which includes the Southern Shan State, Kayah State and Mawchi area, there are White Flag Communists, KNDOs, Chinese Nationalists and Shan insurgents.

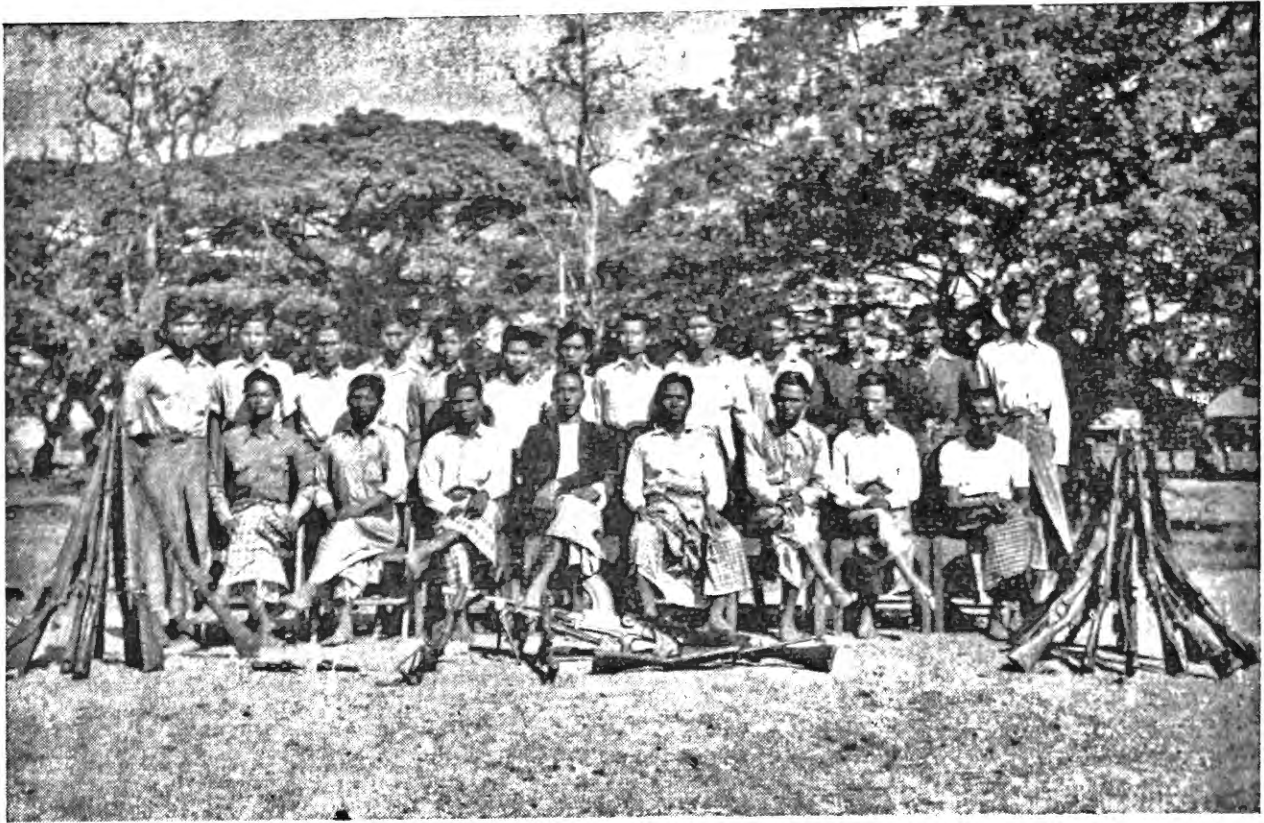
The White Flag Communists here set up the Shan State division headquarters under Bo Pu. In the Inle area along the Ponglong Creek, the offensive operations launched by our troops resulted in great reduction in the insurgent strength their leaders Saya Kun, U Ba Thein and others being captured dead.

The KNDOs have only a remnant of their former strength. Of their leaders, Saw Maw Ye and Saw San Kyaw surrendered, while their Political Officer Da Wi fell in an engagement.

There are not many KMTs in this Brigade area though they travel to and fro across the border. The continuous operations of the Army along the border have also rendered it extremely difficult for the KMTs to stay in those areas.



BCP military commander (Township), Bo Ba Khin, lays down arms with his followers at No. 11 Brigade



BCP members, led by Divisional Committee member, Bo Hla Moe and District military commander Bo Kyaw Dun, lay down arms at No. 11 Brigade on February 26, 1959

As for the Shan insurgents, they once had substantial strength. Based on the Thai border they used to be active with a force of about 500 strong. They duped simple, ignorant Shan cultivators with such propaganda as resistance against the Burmese majority policy and the Union of Burma and thus get such people to fight on their side. Their activities were mostly in the way of ambush, raids on small outposts, dacoity, and murder. Although they at times combined with the Chinese Nationalists to make a raid, they generally had to retreat with heavy casualties.

The latest development in this situation is a rift which has occurred between the underground Shan student group and the Saingnwe group, with the students prepared to surrender because they are unable to withstand the Army's offensive.

In this area there have been 71 engagements, with 71 insurgents killed, and 32 wounded. Altogether 16 insurgents were captured, while 24 surrendered. Arms seized comprised 5 bren-guns, 5 sten-guns, 40 rifles and 18 other firearms.

(d) *6th Brigade*.—In this area, which includes the Northern Shan State, Kokang State and Wa State, there are some White Flag Communists, Red Flag Communists, Shan insurgents and Chinese Nationalists.

Here is the White Flag Communist Northern Shan State divisional headquarters (Division 4) under Divisional President Tin Yee (*alias*) Tin Pe, who with about 50 followers hid and pursued their activity in the Nawnghkio area. Our troops searched for these insurgents and cleared the area of them, resulting in the death of Tin Yee and other insurgent leaders and those remaining retreating in disorder.

The Red Flags sometimes cross into this area from Thabeikkyin but have not otherwise shown any activity.

As for the Chinese Nationalists, they came to the Wa State and Tayan, Sonelone, Tasaingling to establish a foothold, but due to our strong operations against them they retreated with heavy losses. Thereafter there were no Chinese Nationalists entering this area, except to trade in opium.

About the middle of November 1959, UMP deserter Bo Maung and his followers allied with the Shan insurgents, seized Tayan, Maingkaung, Tasaingling, Mangton and other places and augmented their strength to a total of about 700, by conscripting one person from each house. Due to the quick retaliation of the Army, the Shan insurgents had to abandon the places they had occupied and fled into hiding in the wooded and mountainous terrain on the eastern bank of the Salween River. However, most of them returned to their home villages.

In this operational area, there were 95 engagements, in which 153 insurgents were killed and 129 wounded. Altogether 30 insurgents were captured and 30 surrendered. Arms taken comprised 2 bren-guns, 22 sten-guns, 76 rifles and 173 other firearms.

(e) *7th Brigade*.—In this area, which includes Myitkyina, Katha, Bhamo Districts and the Kachin State there are only a few White Flag Communists and Red Flag Communists.

The White Flag Communists established bases in this area they call Division 1, comprising Pinlebu and Banmauk in Katha District. They formed the Kachin State Communist Party there and also created a new settlement in the Gawduganan area, where they carry out organizational activities.

However, the continuous attacks and destruction inflicted on the insurgents by "Operation Setkya" of our troops resulted in Bo Thein, member of the Confluence Area Committee, and Military Commander Saw Naung Gyi being killed, the surrender of Maran La Di, who was in charge of the Kachin State, and Ko Ko Gyi, State Organizer, and either death or surrender of their followers.

Ammunition dumps and signalling equipment were unearthed by our troops. The outcome of this operation has been the destruction and disintegration of the White Flag insurgent strength. Their divisional president Myo Myint had to flee and his wife was captured by our troops.

The Red Flag Communists' strength is now negligible and on the way to complete destruction.

In this operational area, the public has greatly assisted the Army so that it is becoming impossible for the insurgents to organize and be active any longer.

In this operational area, there were 71 engagements, in which 54 insurgents were killed and 43 wounded. Altogether 120 insurgents were captured and 322 surrendered. Arms taken comprised 5 bren-guns, 9 sten-guns, 116 rifles and 10 other firearms.

(f) *9th Brigade*.—In this operational area, which includes Kengtung area and the eastern bank of the Salween River, the Chinese Nationalists are the principal enemy, while the Shan insurgents show fluctuating strength from time to time.

The Chinese Nationalists based themselves at Mongpawng along the Thai border and engaged in the opium traffic and other criminal activities. But our troops attacked and occupied Mongpawng, whereupon it had to be abandoned by the Chinese Nationalists. Time and again, the Chinese Nationalists tried to recapture Mongpawng, but were unsuccessful and have since showed no further activity.

In one of the engagements here fell the Chinese Nationalist General Sho Shi Tan. The Shan insurgents were over 200 strong, but nearly all of them surrendered because of talks given by the *Sawbwa* of Kengtung and the Army. The remaining Shan insurgents went over to our 4th and 5th Brigades with whom they are co-operating.

Our military operations rendered the position of the Chinese Nationalists and Shan insurgents untenable and they are now merely resorting to ambushes against our troops and dacoity.

In this area, there were 80 engagements, in which 204 insurgents were killed and 177 wounded. Altogether 21 insurgents were captured and 150 surrendered. Arms taken comprised 3 bren-guns, 11 sten-guns, 35 rifles and 10 other firearms.

(g) *10th Brigade*.—In this Brigade area which includes Pakokku, Myingyan and Magwe Districts, there are both White Flag Communists and Red Flag Communists.

Formerly, there was the White Flag Communists' central headquarters here, but due to our offensive Thakin Than Tun and other Politburo members fled to Lower

Burma. Only some members of the White Flag Communist north-western divisional group, in small numbers, are now hiding in the jungles west of Pakkoku and Minbu Districts. White Flag Communist reserve committee member, Aung Naing, was recently captured.

As for the Red Flag Communists, Thakin Soe and a few followers are hiding in the deep jungles, while over 100 Red Flag insurgents show some activity in the boundary between Pakokku and Monywa Districts.

In this Brigade area, aside from the Red Flag Communists, the White Flag insurgents have no substantial strength. Even among the Red Flag Communist insurgents, the present continued suppression of them has begun to greatly disintegrate their ranks and there is an increasing roll of surrenders.

In this area, there were 145 engagements, in which 89 insurgents were killed and 48 wounded. Altogether 45 insurgents were captured and 145 surrendered. Booty taken comprised 5 bren-guns, 25 sten-guns, 146 rifles and 19 weapons of other categories.



Groundnut cultivation at Namhsan by resettled surrendered personnel

(2) South Burma Army Headquarters Area.—

(a) 2nd Brigade.—In this Brigade area, which includes the Toungoo District, Karen State and Thandaung area, there are KNDOs and White Flag Communists.

It used to be the stronghold of the KNDOs. It was also the White Flag Communists' Lower Burma divisional base and used by Thakin Than Tun as a hide-out. In this area, there are attempts at an alliance by the KNDOs in the east and White Flag Communists in the Pegu Yomas.

As major military operations were launched in this area as soon as the Government of General Ne Win assumed office, both White Flag Communists and KNDOs suffered heavy casualties and their military as well as organizational activities have shown a great drop.

As far as the White Flag Communists are concerned, they have been practically all destroyed. As for the KNDOs, they cannot now attack our troops or destroy roads, but are obliged to hide in deep jungle under conditions of great hardship. These insurgents who once held sway all over the foothill areas, are now deprived of such influence and are consequently facing increasing difficulties in obtaining rations for their survival.

Although Thakin Than Tun is hiding in this area, he cannot easily regroup his following and continue his organizational work. Our troops have also been successful in preventing the White Flags and KNDOs from combining forces.

In this area, there were 317 engagements in which 134 insurgents were annihilated, and 169 wounded. Altogether 67 insurgents were captured while 221 surrendered. Arms captured comprised 10 bren-guns, 29 sten-guns, 246 rifles and 45 other fire-arms.

(b) 3rd Brigade.—In this Brigade area, which includes the Karen State, Papun, Pa-an and Thaton Districts, the primary

insurgents' strength is that of the KNDOs. There are also small numbers of Red Flag Communists.

As this is the principal base area of the KNDOs, most of their leaders are here. Before, they were always able to harass the Thaton and Pa-an Districts. But they could not offer much harassment during the time of General Ne Win's Government.

Because of steadily maintained offensives from our side, the KNDOs have found their position untenable and are constantly on the run. Surprise attacks by our troops on the KNDO bases at Laykhay, Guwa, Letha, Hewa and other places put the insurgents into disorderly retreat.

An outstanding point here to be mentioned is the fate which befell Member of Parliament Pe Nyunt who went underground. He joined the KNDOs and carried out raids on villages. But pursued and attacked by our troops, he was wounded in battle and died.

In this area, the Red Flags were unable to get active and after their arms were taken away by the KNDOs they shifted to the Amherst District.

The KNDOs themselves can now only indulge in such destructive activities as to raid villages on the motor highway and along the railway line, wreck bridges, set mines and attack trains. However, due to relentless pursuit and retaliation by our troops, the KNDOs have lost many of their leaders and ordinary rankers in engagements. Unable to do exactly as they pleased like before, the KNDOs have suffered a drop in morale and there are many surrenders. There are also cases of split in their ranks, resulting in their murdering each other.

In this area, there were 386 engagements, in which 135 insurgents were annihilated and 112 wounded. Altogether 41 insurgents were captured and 36 surrendered. Arms taken comprised 3 bren-guns, 11 sten-guns, 77 rifles and 8 other fire-arms.

(c) *5th Brigade*.—In this Brigade area, which includes Mergui, Tavoy and Amherst Districts and Kawkareik area of the Karen State, there are KNDOs, MNDOs or Mon insurgents, White Flag Communists and Red Flag Communists.

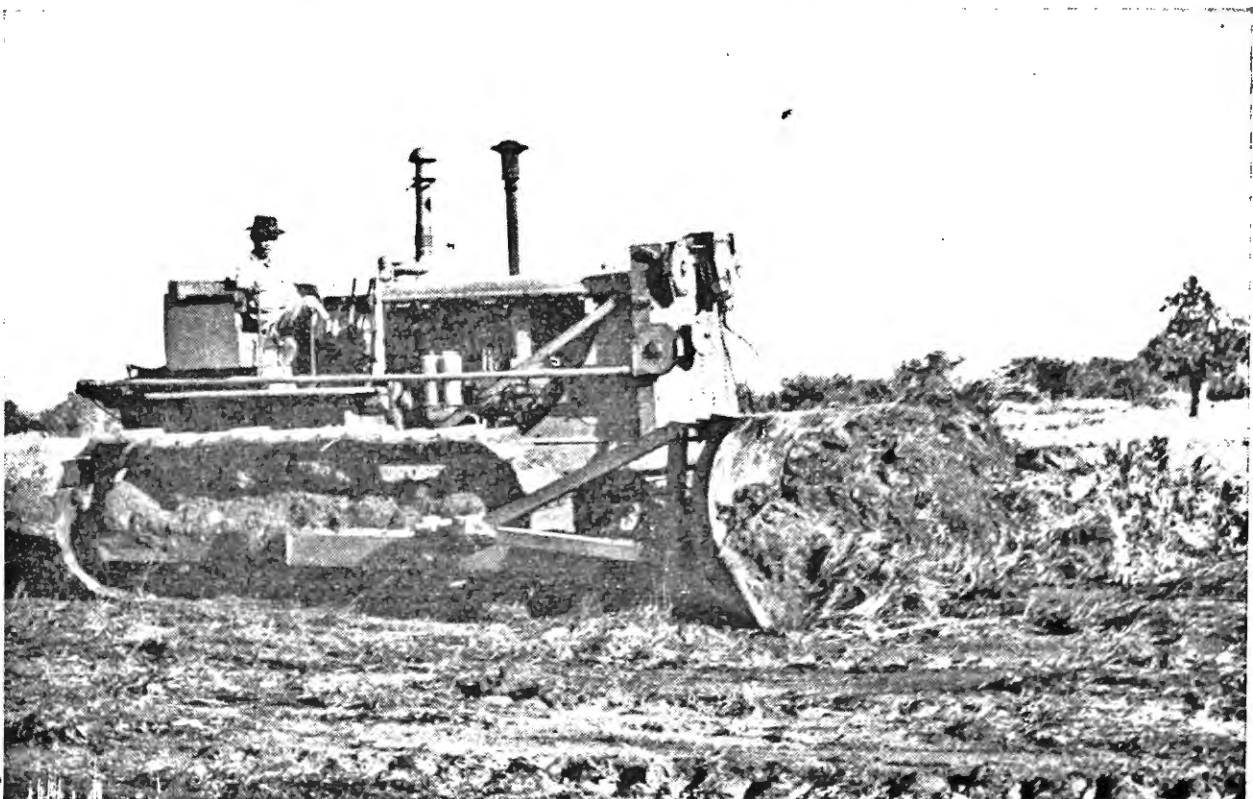
A good part of the KNDO forces show activity in movements in the Karen State and the Thai border. The Mon insurgents are merely on the level of dacoits and kidnappers. The White Flag Communists also are divided into small bands hiding and demanding tributes in Mergui and Tavoy. The Red Flag Communists are the forces which fled from Amherst District and Thaton now joined together, but showing only slight activity.

As the offensive of our troops has been continuously maintained, the KNDOs who once held wide sway in the area are now greatly disintegrated and destroyed. In this area, too, insurgents' footholds are no longer many and they have been obliged to hide in the deep jungles.

In this area there were 280 engagements in which 93 insurgents were killed and 201 wounded. Altogether 44 insurgents were captured and 28 surrendered. Arms taken comprised 3 bren-guns, 17 sten-guns, 74 rifles and 39 other fire-arms.

(d) *8th Brigade*.—In this area, which includes Henzada, Bassein and Myaungmya Districts, the KNDOs and White Flag Communists used to be in great strength. There used to be the Delta headquarters of both the KNDOs and the Delta divisional headquarters of the White Flag Communists in this area.

As a result of our troops steadily maintaining of "Operation Aungsetkya", "Operation Yan Lin" and some localized operations frequently launched, the once mighty KNDO strongholds were destroyed. The largest numbers of KNDO insurgents killed, wounded, captured or surrendered were from this area.



Resettling of surrendered personnel includes tractor operation training programmes

Among those who surrendered were KNDO Politburo member Saw Maung Toe and KNDO leaders Saw Po Si, Saw Maung Ei and Naw Win Thet Pyin.

As for the White Flag Communist, Tun Kyi, the White Flag Communist commander for the whole Hezada District, and his followers surrendered *en masse*.

At present in this area the insurgents dare not face our troops and some are hiding in the western foothills of the Yomas, while others separated into small numbers are in hide-outs in "inns" (fisheries) and tanks, bamboo forests and plantations. Where they once used to be in constant wireless communication with each other, now the insurgents have been scattered and have lost contact with each other.

In this area, the White Flag Communists and KNDOs have attempted to join forces but have not succeeded.

In this area there were 453 engagements in which 331 insurgents were killed and 457 wounded. Altogether 284 insurgents were captured and 965 surrendered. Arms captured comprised 25 bren-guns, 126 sten-guns, 750 rifles and 214 other fire-arms.

(e) *11th Brigade*.—This brigade area, which includes Pegu District and Shwegyin Township, is the scene of the greatest activity among the White Flag Communists and KNDOs.

The KNDO Yoma divisional headquarters, the White Flag Communist Lower Burma divisional headquarters and the KNDO eastern headquarters, carry out activities in conjunction with each other in this area and there has been the greatest insurgent strength fluctuation here. This is also the base of contact between the White Flag Communists and KNDOs. This is also the route having connections with the Delta.

Our troops, having launched strong offensive operations against insurgents

based in this area, the Government authority has now extended to the rail and motor routes from the foothills to places on the mountains as well. The insurgents were forced to flee in disintegrated groups after suffering severe destruction.

The White Flag Communist strength in this area has considerably dropped following the surrender of an important divisional Committee member, Lwin Maung, another divisional Committee member, Bo Nyunt Maung, and 150 of his followers.

The KNDO strength has been lowered by the loss of a leader who could aptly be called their mentor, Central Committee president Saya Ba Hu, who was captured by our side.

A large quantity of White Flag property, such as wireless sets, arms and ammunition, stores and means of communications between above-ground and the underground were unearthed.

Villages, which were the footholds of the insurgents in the mountains, were also taken over by our side. At present in this area the insurgents are not many in strength and are scattered, hiding here and there.

In this area, there were 268 engagements in which 147 insurgents were killed, and 76 wounded. Altogether 96 insurgents were captured and 397 surrendered. Arms taken comprised 12 bren-guns, 35 sten-guns, 325 rifles and 52 other fire-arms.

(f) *12th Brigade*.—This brigade area which includes Maubin and Pyapon Districts, being in the Delta has the largest possible number of rivers, creeks and lakes. The insurgents infesting this area are White Flag Communists, Red Flag Communists and KNDOs. This area provides the highest income for the insurgents as it is plentiful in paddy and fisheries.

In this area, due to the strong thrusts made by our side in launching "Operation

Tartapaw," in Danubyu, Kyonpyaw, Pantanaw, Kyaunggon and Yandoon sectors, many KNDOs fell and their military and organizational activities were both wrecked. A large number of these insurgents surrendered, including such leaders as Saw Tun Nay, divisional Committee member, and insurgent regimental commanders, and district Committee members. They handed in their weapons and signalling equipment.

As for the White Flag Communists, their whole set-up for Pyapon District, from the president to the rank-and-file, surrendered. In Maubin District, the White Flag Communist strength is now just one or two in number. In Pyapon District, too, the Red Flag Communists who used to be conspicuous, are now obliged to hide in woods and teak forests. The KNDOs, who are now split into small bands under individual leaders, are demoralized and have reached the stage where they have no alternative but to surrender.

In this area, there were 255 engagements, in which 156 insurgents were killed and 189 wounded. Altogether 93 insurgents were captured while 444 surrendered. Booty taken comprised 18 bren-guns, 55 sten-guns, 436 rifles and 75 weapons of other categories.

(g) *13th Brigade*.—In this area, which includes Thayet, Prome and Tharrawaddy Districts, there are White Flag Communists and KNDOs.

The White Flag Communist western division forces using Thayet District as their foothold, showed some measure of activity. The north-western division forces of these insurgents also used to come in to take refuge in the Mindon area. The White Flag Communist chief Than Tun also passed through this area while fleeing to Lower Burma. However, the White Flag Communist forces were unable to withstand the onslaught of operations launched by our side and their strength was disintegrated and wrecked.



Resettled surrendered personnel are given all aid to engage in agriculture, including land, funds, plough and cattle

After their western division president and Central Committee member Ko Yaw surrendered, these insurgents also began to follow suit in large groups. The entire White Flag Communist organization in the Thayet District is now totally destroyed.

The same is also to be said for the White Flag Communist's organization in Tharrawaddy District. Ma Ne Khine, who was in charge of Women's Union organization in the insurgents' western division, was also captured. Some western divisional leaders and their followers are in hiding in certain parts of Prome District, but elsewhere in this district all areas are clear of insurgents.

As for the KNDOs, some of them are hiding in the Tharrawaddy District, the foothills of the Pegu Yomas and the banks of the Irrawaddy and Hlaing Rivers, but are not showing much activity. No longer can they wreck the rail-lines or water pipes.

Large quantities of hidden arms were unearthed in this Brigade area. Altogether 164,530 hidden arms were found in this area alone.

In this area, there were 180 engagements, in which 101 insurgents were killed and 94 wounded. Altogether 113 insurgents were captured and 315 surrendered. Arms captured in operations comprised 12 bren-guns, 37 sten-guns, 313 rifles and 92 other fire-arms.

(3) *Combined Armed Forces in the Arakan.*—In this area, which embraces the whole Arakan Division, there are White Flag Communists, Red Flag Communists and Mujahid insurgents.

The White Flag Communist insurgents here are the remnants of the forces of Bonbawk Tha Gyaw and U Seinda, still up in arms after the two leaders and most of their forces surrendered. Few in numbers, they are under Central Committee member Kyaw Mya and are moving about in small separate bands.

The same can also be said for the Red Flag Communists. As our troops are constantly trailing and attacking them, the insurgents have lost much of their strength. They are also coming to surrender by two's and three's. In the Arakan Division, both the White Flag and Red Flag Communist insurgents now are of no consequence.

The Mujahids on their side were not exceptionally strong previously. However, at present, they have managed to lure into their ranks some border trespassers and show fluctuating strength. They move to and fro across the borders, resorting to such activities as illegal entries and rice smuggling.

In the time of General Ne Win's Government, the combined efforts of the Army, the Customs Department, Immigration Department, other civil departments and the police were successful in curbing and strongly suppressing the Mujahids' economic insurgency. The insurgents found it extremely difficult to continue their activities. Those who made illegal entries into Burma were deported and punished and such elements later joined the Mujahids in attacks on our outposts and capture of villagers and similar crimes. Accordingly, our troops launched operations to clear the area of such insurgents.

At present, the Mujahids retain their bases on the border and are still causing disturbances. On our side, we are taking measures in accordance with the law and with the object of preventing any disruption of the friendly relations existing between the two countries concerned.

In the entire Arakan Division, there were 257 engagements in which 80 insurgents were killed, and 89 wounded. Altogether 95 insurgents were captured while 208 surrendered. Arms taken comprised 9 bren-guns, 20 sten-guns, 198 rifles and 75 other fire-arms.

(4) *Central Command Headquarters.*—

(a) *Insein District.*—In this district there are White Flag Communists, Red Flag Communists and KNDOs. It is also an area which abounds in crime, with many dacoit and kidnap gangs carrying on their activities.

In the time of General Ne Win's Government, the army and police co-operated in suppressing insurgents in this district with considerable success. Previously this area was often used as a refuge by insurgent forces who came from the direction of Maubin and Henzada. Now they are unable to enter the area and are driven off with heavy casualties.

One noteworthy achievement of the police force was seen in the mango forest on the bank of the Pegu Creek in Hlegu Police Station jurisdiction, Insein District. At this spot, the police fought the White Flag Communist insurgents led by Yan Shin and Ye Myint in a big battle in which the White Flag organization surrendered *en masse*. This area is now totally cleared of White Flag Communists.

As for some Red Flag Communists of this area, they joined others of the same insurgent organization east of Taikkyi in Tantabin Township, but have since showed no activity. Some of the KNDOs went away and hid themselves in the Pegu Yomas. The area is now practically cleared of kidnap gangs.

(b) *Hanthawaddy District.*—In this district are White Flag Communists, Red Flag Communists and KNDOs. Due to the continuous military operations by our troops, Po Moe, the KNDO leader who dominated Tawgyidan, Twante, for years, surrendered together with his whole band. So did Red Flag Communist leader Tun Sein and his band. Further surrender took place of Red Flag Central Committee member Tun Oo and Red Flag District Committee members Aung Gyi and Kyaw Oo Lwin who operated on the sea coast in east Hanthawaddy District.

Of the insurgent remnants in this area, some have fled and others in one's and two's are in hiding, so that the enemy strength here is practically destroyed.



Surrendered personnel are given all necessities and facilities during the resettlement programme

(c) *Central Headquarters Area.*—In the Central Headquarters area both the insurrection and crime have almost completely disappeared.

In this area, there were 140 engagements in which 41 were killed and 71 wounded. Altogether 35 insurgents were captured while 162 surrendered. Arms taken comprised 5 bren-guns, 31 sten-guns, 134 rifles and 33 other fire-arms.

Military Operations Launched by Brigades

	Major Operations.	Localized Operations.
(a) Regiment (1) ...	8	7
(b) Brigade (1) ...	10	13
(c) Brigade (2) ...	9	76
(d) Brigade (3) ...	5	...
(e) Brigade (4) ...	2	6
(f) Brigade (5) ...	3	14
(g) Brigade (6) ...	5	11
(h) Brigade (7) ...	3	1
(i) Brigade (8) ...	24	28
(j) Brigade (9) ...	3	2
(k) Brigade (10) ...	4	17
(l) Brigade (11) ...	14	7
(m) Brigade (12) ...	2	10
(n) Brigade (13) ...	...	79
(o) Combined Forces in Arakan ...	4	46
(p) Central Command ...	12	6
Total ...	108	323

From the above figures showing the number of military operations launched, the extent of effort made during these 14 months is obvious. Because such a large number of military operations were launched the losses suffered by the insurgents has naturally been considerable.

As our side had to launch military operations, maintain outposts, guard communications and carry out other such responsibilities, it encountered 386 major engagements and 2,743 minor engagements. Total losses in these engagements were by no means slight as is shown:

	Dead.	Wounded.
(a) Army ...	314	453
(b) Union Constabulary ...	70	53
(c) Police Reserve ...	93	86
(d) Local Defence Forces ...	43	46
Total ...	520	638

The losses suffered during these 14 months by insurgents according to their categories and their aggregate losses are shown hereunder:

	Dead.	Wounded.	Cap- tured.
(a) White Flag Com- munists ...	573	519	670
(b) Red Flag Commu- nists ...	148	136	110
(c) KNDOs (Karen) ...	723	945	354
(d) MNDOs (Mon) ...	20	21	7
(e) Shan Insurgents ...	193	208	19
(f) Chinese Nationalists ...	194	108	24
(g) Mujahids ...	21	22	54
Total ...	1,872	1,959	1,238

The list of insurgents who have surrendered according to their categories is as follows:

Surrenders.	Number Surrendered.
(a) White Flag Communists ...	2,206
(b) Red Flag Communists ...	283
(c) KNDOs (Karen) ...	928
(d) MNDOs (Mon) ...	9
(e) Shan Insurgents ...	97
(f) Chinese Nationalists ...	91
(g) Mujahids ...	4
Total ...	3,618

Arms captured in the course of engagements or received from surrendering insurgents are as follows:

Arms.	During Engage- ment.	Handed in during Surren- der.	Total.
(a) Bren-gun/Sub- machine ...	71	59	131
(b) Sten-gun/Carbine ...	203	251	453
(c) Assorted Rifles ...	1,427	1,747	3,174
(d) Other assorted wea- pons ...	500	409	909
Total ...	2,201	2,466	4,667

(B) RECOVERY OF HIDDEN ARMS

A specially noteworthy achievement during the tenure in office of General Ne Win's Government has been the recovery of large quantities of hidden arms.

Such arms were unlicensed, concealed arms, or underground arms found in the possession of insurgents and civilians or

arms which were not underground arms but had to be recovered from persons not entitled to hold them.

The list of these arms recovered through information given by the public as a result of the adoption of the People's Reporter system, is as follows:—

(a) *Arms Recovered—*

(a) Assorted Rifles	... 83,444
(b) Bren-gun/Sub-machine	25
(c) Sten-gun/Carbine	... 663
(d) Revolver/Pistol	... 6,337
(e) Double-barrelled guns	... 3,170
(f) Locally-made guns	... 12,927
(g) Other assorted fire-arms	1,015

Total ... 107,581

(b) *Concealed Arms recovered through information given by People's Reporters—*

(a) Assorted Rifles	... 3,297
(b) Bren-gun/Sub-machine	52
(c) Sten-gun/Carbine	... 463
(d) Revolver/Pistol	... 1,070
(e) Double-barrelled guns	... 559
(f) Locally-made guns	... 8,795
(g) Other assorted weapons	... 54

Total ... 14,290

(c) *Total quantity of concealed Arms recovered—*

(a) Assorted Rifles	... 16,741
(b) Bren-gun/Sub-machine	77
(c) Sten-gun/Carbine	... 1,126
(d) Revolver/Pistol/DBBL...	7,407
(e) Double-barreled guns	... 3,729
(f) Locally-made guns	... 21,722
(g) Other assorted weapons	1,069

Total ... 51,871

The total of arms seized or recovered during engagements, surrender or withdrawn from certain holders or unearthed from hidden arms caches is:

(a) Bren-gun/Sub-machine...	208
(b) Sten-gun/Carbine	... 1,579
(c) Assorted Rifles	... 19,915
(d) Other assorted weapons	34,836

Total ... 56,538

(C) DECREASE IN INSURGENT STRENGTH

As the primary aim of military operations launched from our side was to pursue and mop up insurgent leaders, there were many insurgent casualties on that level.

It is necessary to accomplish this object because it is these very leaders who are misleading ignorant and simple rural folks and pushing them along the erroneous and foolhardy path of insurrection.

Accordingly, the list of casualties and losses suffered on the insurgent leadership level is as follows:

	Dead.	Cap- tured.	Sur- ren- dered.	Total.
(a) <i>White Flag Communists</i>				
Central Committee				
Member	...	1	2	2
Divisional Committee				
Member	...	6	2	5
District Committee				
Member	...	13	13	39
Township Committee				
Member	...	34	20	97
Total	...	54	37	143
(b) <i>Red Flag Communists</i>				
Politburo Member	1	...
Central Committee				
Member	1	...
Divisional Committee				
Member
District Committee				
Member	...	3	2	9
Township Committee				
Member	...	1	1	10
Total	...	4	5	20

	Dead.	Captured.	Surrendered.	Total.
(c) KNDO (Karen)—				
Politburo Member ...	...	...	1	1
Central Committee Member ...	...	2	...	2
Divisional Committee Member ...	1	1	6	8
District Committee Member ...	5	1	6	12
Township Committee Member ...	7	1	24	32
Total ...	13	5	37	55

(d) KMTs (Chinese Nationalists) Gen. Lio Htan Sho (killed)

1

(e) Grand Total—

Politburo Member ...	...	1	1	2
Central Committee Member ...	1	5	3	9
Divisional Committee Member ...	7	3	11	21
District Committee Member ...	21	16	54	91
Township Committee Member ...	42	22	131	195
KMT General ...	1	...	...	1
Total ...	72	47	200	319

(1) *Losses in Insurgent Key Leadership.*—The loss of the following key insurgent leaders has been highly disadvantageous for the insurgents; the decrease in such leadership also resulted in a setback in the pace of the insurrection as a whole. These leaders are as follows:

(a) *From the White Flag Communist Party.*—Central Committee members Ko Yaw and Bo Nyunt Maung surrendered. Thanmani Maung Maung and Aung Thu were captured. Tin Yee (*alias*) Tin Pe was killed. Divisional Committee members Bo Tun Myint, Bo Hla Mu, U Gyi Ngwe, Aung Than, Lwin Maung, Ko Ko Gyi and Maran La Di surrendered. Bo Thein, Arlawarka, Saya Kun, U Ba Thein, Saw Naung Gyi and Thein Zan fell in engagement. Sein Win and Ma Ne Khine were captured.

(b) *From the Red Flag Communist Party.*—Politburo Member Ko Htoo and Central Committee members Sein Hla and Shan Tun Sein were captured. Central Committee members Tun Win and District Committee members Tun Sein, Aung Gyi, Kyaw Oo Lwin, and Min Lwin surrendered.

(c) *From the KNDO (Karen).*—Politburo member Saw Maung Toe surrendered. Central Committee members Saw Bahu and Saw Htoo were captured. Divisional Committee member Saw Maung Yaw, Saw San Kyaw and Saw Tun Nem, regimental commander Po Si, Tha Win and Ne Win surrendered. Divisional Committee member Saw Dawi, Saw Tuya Oo and regimental commander Saw San Ke fell in action.

The above accounts of losses, surrenders and elimination of leaders among the insurgents as well as recovery of concealed arms testify to the outstanding accomplishments during the time of General Ne Win's Government resulting from combined efforts of the Army, Police, civil authorities and the general public in suppressing the insurrection.

The insurgents are on the brink of collapse. The public, ever aware of their responsibilities, have reached a high degree of efficiency in aiding the suppression of the insurrection.

(D) PEOPLE'S REPORTERS

In the time of General Ne Win's Government, the bow-and-bamboo lance corps was organized so as to enable the public to play their role in safeguarding their homes and property. In villages, such defence measures have been adopted as erecting barbed wire fences and manning of watch-posts.

In this way the villagers on their own have begun the suppression and annihilation of insurgents with great success.

The use of the People's Reporter system has enabled the Army to get the maximum amount of information possible on insurgent movements, so that it was able to effectively suppress the insurgents.

As a result of the People's Reporter system many insurgent leaders were killed in action or captured. Among such conspicuous insurgent leaders who died were Bo Thein, of the riverine area command, Saw Naung Gyi, Tin Yee and Saya Kun and Ba Thein of the Shan State division, Thein Zan and Pe Nyunt, the Member of Parliament who went underground.

Those captured included Central Committee member Thanmani Maung Maung, Rajan (*alias*) Aung Thu, Saya Bahu, Red Flag Communist Ko Htoo, Sein Hla, Ma Ne Khine and Shan Tun Sein.

Insurgent Casualties inflicted by the People's Reporters and Bow-and-Bamboo Lance Corps

(a) Insurgents dead	...	111
(b) Insurgents wounded	...	24
(c) Insurgents captured	...	116
(d) Arms captured—		
Bren-gun	...	14
Sten-gun	...	53
Rifles	...	400
Other assorted weapons	...	292
Total	...	1,010

Due to strong suppression of the insurrection from the time of assumption of office by General Ne Win's Government to the present date, the insurgent strength has been largely diminished. The present strength of the insurgents is as shown below.

It is the practice of the insurgents to obtain recruits from time to time as soon as they lose men killed in action on one side. As insurgents on one hand lose men who fell in action they are also securing new recruits from time to time. Particularly the KMTs, Mujahids, Red

Flag Communists and KNDOs attempt in various ways to build up their strength.

Nevertheless, the total insurgent strength, which used to be anywhere from over 9,000 to 15,000 was lowered by 6,000. Their present strength is just over 5,000. This strength divided into categories is as follows:

(a) White Flag Communists	...	700
(b) Red Flag Communists	...	209
(c) KNDOs (Karen)	...	1,695
(d) Shan insurgents	...	274
(e) KMTs	...	2,317
(f) Mujahids	...	290
Total	...	5,485

The MNDOs (Mon insurgents) are not mentioned in the above list, as they have degenerated into mere dacoit gangs. The strength of the Shan insurgents shown also does not include the ignorant villagers they have hoodwinked into joining them.

The KNDOs are recruiting in the eastern Papun area and their strength may possibly increase. The KMTs and the Mujahids make it a practice to cross to and fro in the border region and may thus have fluctuation in strength.

The insurgent strength shown above also does not mean a concentration in any one area but scattered and isolated groups active here and there.

The cooperation between the army and the public during the time of General Ne Win's Government has produced such success as described in the foregoing details. Such intensive efforts to liquidate insurgency are continuing and it is obvious that before long the insurrection will disappear from Burma.

(E) RESETTLEMENT OF SURRENDERED PERSONNEL

With a view to providing food, accommodation, clothing, education and medical care for the surrendered personnel who

are to be treated as patriots in having renounced aggressive means against the people, a Resettlement Board for Surrendered Personnel was constituted with a capital of K 1,00,00,000 in December 1957.

At that time the Communists headed by U Maung Mauug in Pyinmana area, the KNDOs headed by Bo Myo Aung in Thaton area, Peoples Freedom Party, headed by U Sein Da in Arakan Division, the PVOs headed by Bo San Tha Gyaw and Bo Aung Gyaw and the Paos' National Party headed by U Hla Pe in the Shan State, altogether totalling about 1,21,000 personnel had surrendered. The Government proclamation then was "Exchange of Arms for Democracy."

The Board was implementing the Resettlement Scheme, when at a later date owing to political complications, lack of interest in the Scheme on the part of the surrendered personnel and the splitting apart of political parties, the Scheme came to a stop and the Board was abolished in February 1959.

In February 1959 there were several unconditional surrenders in Pegu District and single surrenders or in groups of 4 or 5 in other districts and as the number of surrendered personnel increased, the Resettlement Board had to be revived to carry on the Scheme. It was reestablished on June 5, 1959.

1. *Policy.*—

(a) *Privileges.*—Every surrendered personnel is registered and after registration an ordinary adult is entitled to K 1.50 per diem for food, gratuity at K 20 per mensem and K 15 for clothing while the children (of 11 years of age and under) are entitled to K 1 per diem for food, gratuity at K 10 per mensem and K 10 for clothing. A surrendered leader of District level is entitled to total allowance of K 300 per mensem for food, clothing and gratuity.

Those surrendered personnel who wish to return to their home towns are repatriated accordingly and for those who wish to remain under arrangements by the Board, schools of training by the name "ARDC Agricultural Training School" are opened in conjunction with the ARDC at Meiktila in Upper Burma and Myaungmya and Hlaingdet in Lower Burma. On successful completion of the course, they are sent to suitable localities by the ARDC for agricultural purposes.

(b) *Opening of a School of Training.*—Duration of the course at the ARDC School is 6 months during which training is given to the personnel both in theory and practice mainly on how new modern methods could be applied against traditional agriculture and farming.

The subjects taught at the school are those relating to agriculture such as geology, manure, mixed farming, rotation system of crops, double crops farming, weeding, jungle clearing, ploughing, harrowing, jute cultivation, thinning, separating, and vegetable farming;

Those relating to Botany such as the internal and external sections of the tree, various categories of seeds, blossoms, leaves, trunk roots and grafting;

Those relating to Entomology such as the different kinds of insects, their development, preventive methods against destructive types, the use of insecticides;

Those relating to practical agriculture such as: Jungle clearing and preparation for dry plantation, cultivation of cotton, sessamum, various beans and peas, chillie, onion and paddy and sugarcane, making of agricultural equipment, choice and breeding of plants, collection of seasonal seeds, etc;

Those relating to animal breeding such as dairy and poultry farming, animal diseases and means of precautions.

(c) *General Knowledge*.—Visits are arranged to Government industries such as the Steel Mill, Jute Mill, Dairy Farm, Tiles Factory and Army Poultry Farm for general knowledge.

The schools are administered by the Army while training on agricultural and animal breeding is given by the ARDC and morale by the Psychological Warfare Directorate with a view to promoting self-confidence.

A library has been opened and lecture and discussions are held occasionally. For physical fitness, athletic equipment have been purchased and physical training given regularly. Trainees are also allowed to take part in social activities such as religious festivals.

Strict discipline as in Burma Army institutes has been enforced on the trainees and those who commit civil offences are handed over to the civil authorities. For welfare in the school, a canteen has been opened for sale of general items such as rice,

oil, chillie and onion at reduced rates. A separate mess has been arranged for unmarried trainees.

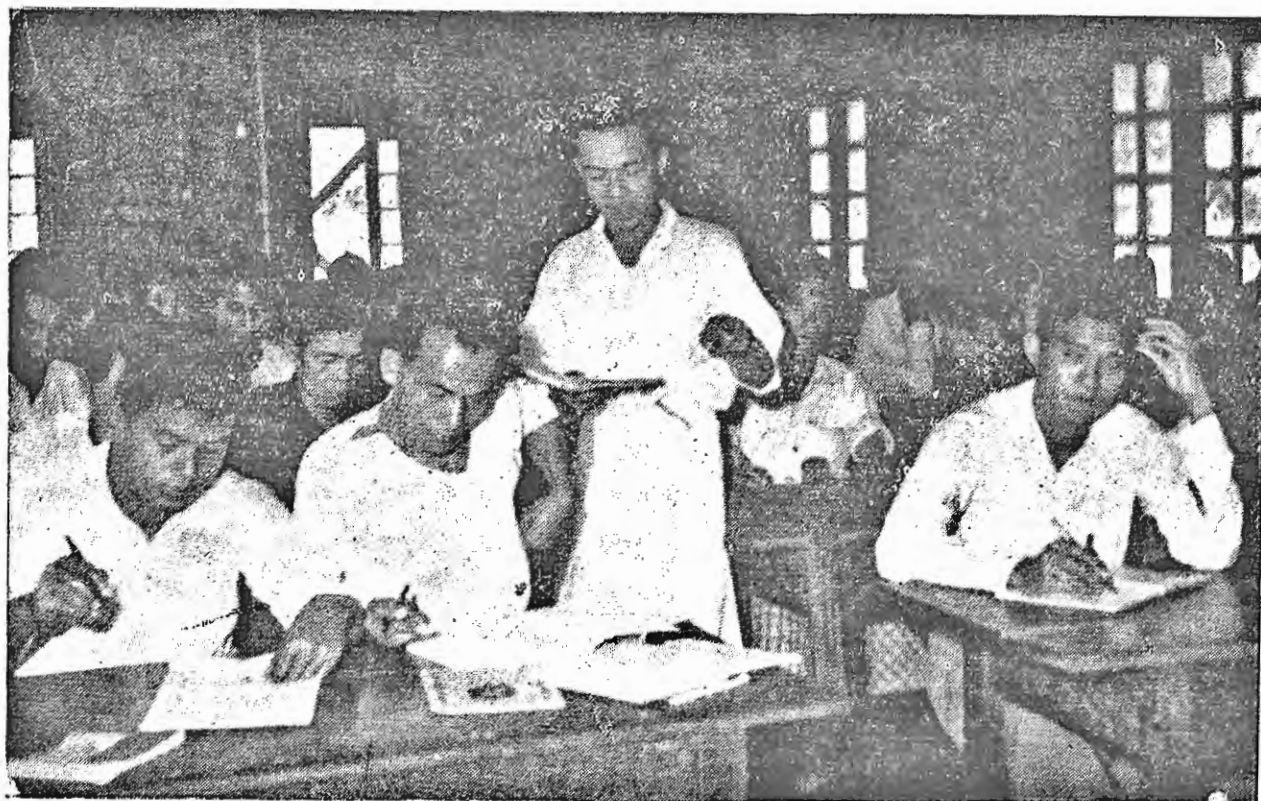
The families who accompanied the surrendered personnel are also given training by qualified teachers on domestic arts such as sewing.

Of the Nos. 1 and 2 Courses held at the two schools opened at Myaungmya and Hlaingdet, Course No. 1 has already been completed and it is intended to run similar courses regularly depending on the number of surrendered personnel in future.

(2) *Resettlement*.—After completion of courses at Myaungmya and Hlaingdet Agricultural Schools, trained surrendered personnel who wish to remain under arrangements by the ARDC are granted loans up to a total of K 1,275 without interest under the "Bawathit Scheme" as follows:

K 250 per family for accommodation;

K 600 for a pair of bullocks;



Education classes are held in resettlement programme

K 35 for ten baskets of *myosabar*,
 K 150 for one plough;
 K 240 for 8 months before next paddy
 season at K 30 per month and one-
 plough arable land.

Out of 49 such personnel 25 personnel are
 now resettled at Ama village in Pyapon
 District and 24 personnel at Kanwe Kabo
 village in Maubin District. Similar
 arrangements are being made for trained
 personnel from the Hlaingdet Agricultural
 School.

(3) *List of surrendered personnel.*—Those
 who surrendered during November 1,
 1958 to December 31, 1959 include:

White Flag Communists	...	2,206
Red Flag Communists	...	283
KNDOs	...	928
Mons	...	9
Shan insurgents	...	97
Mujahids	...	4
Total		3,527

(4) *Incurring of expenditure.*—During the
 tenure of Bogyoke Government, strict
 economy has been exercised in respect of
 surrendered personnel. The expenditure
 incurred by the previous Resettlement
 Board during the period January 1, 1958 to
 October 31, 1958 was K 90,69,773.36
 and the expenditure during the tenure of
 Bogyoke Government for the period from
 January 1, 1959 to December 31, 1959 is
 K 9,35,950.38.

(5) *Defence Services Resettlement.*—The
 following are the Resettlement Projects
 functioning up to 1960:

- (a) Agricultural Vocational Training
 School, Hmawbi (started in
 November 1957).
- (b) Army Model Farm, Hmawbi (Part
 of Vocational Training School,
 started in November 1955).

- (c) No. 1 Resettlement Unit, Myitkyina
 (started in January 1957).
- (d) Nos. 2/3 Resettlement Unit
 Namsang (started in December
 1957).
- (e) Army Agricultural Project, Putao,
 for giving assistance to local
 cultivators (started in April
 1959).

(a) *Agricultural Vocational Training
 School, Hmawbi.*—This School is to train
 Yebaws in Agriculture, Animal Husbandry,
 Tractor Driving and Maintenance, so that
 when they leave the Defence Services they
 can earn their living. At present there are
 50 Yebaws doing a 12-month course. In
 December 1959 we hope to start a second
 course with 100 Yebaw students.

(b) *Army Model Farm, Hmawbi.*—This
 Farm is part of the Vocational Training
 School. Farm area is 1,200 acres. The
 Farm has about—

- (a) 16,000 poultry
- (b) 100 pigs.
- (c) 30 milch cows.
- (d) Fruits trees such as coconuts,
 pineapples, bananas, custard-
 apples, cashewnuts, limes,
 papayas, sapotas, mangoes, jack-
 fruits and guavas. Most of the
 fruit trees are still young.

At present the Farm is providing fresh
 fowl eggs to the Army Station Supply
 Depots at Hmawbi, Mingaladon, Rangoon
 and selling the surplus to the public in the
 Resettlement Shop, Rangoon. The sale of
 farm produce so far is over K 2,50,000.

(c) *No. 1 Resettlement Unit, Myitkyina.*—
 This project of about 14,000 acres is to
 resettle Defence Services yebaws on the
 land when they go on pension.

About 900 acres have been cultivated
 with sugarcane, groundnuts, maize, paddy,
 pineapples, bananas, oranges, coffee,



Surrendered personnel receive agricultural training

lichi, *danyinthee* and soya beans. There are also about 500 poultry.

Three villages have been constructed with about 3 miles of roads. One village will be handed over to yebaw pensioners in December 1959.

(d) *Nos. 2/3 Resettlement Unit, Namsang*.—This project of about 70,000 acres is to resettle Defence Services Yebaws on the land when they go on pension.

About 600 acres have been cultivated with groundnuts, and a further 20 acres with maize, coffee, soyabeans, and sunflower. There are also about 200 poultry and by the end of December 1, 1959, we hope to have 100 beef cattle.

This project is expected in the future to supply the raw materials for the Army

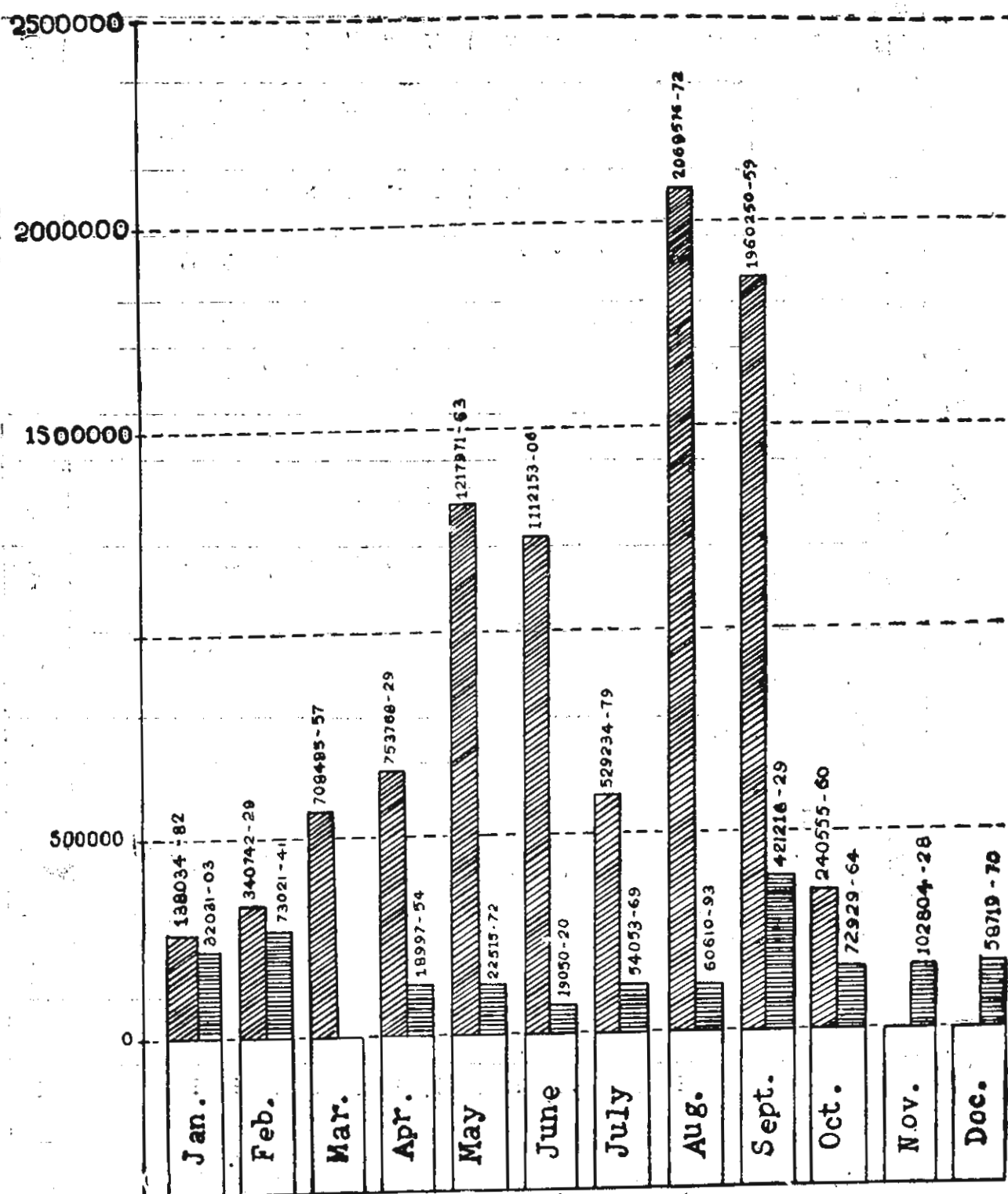
Canning Factory, Kalaw, in the way of fruits and beef. This project will also supply part of the groundnut, soya bean, wheat, and oats deficiency in Burma.

(e) *Army Agricultural Project*.—This project has been started very recently and so far only about 75 acres have been cultivated with paddy, maize, soyabeans and *pelun*.

Four agricultural tractors have also been sent up to Putao to develop the project and also to help the local cultivators in their ploughing.

In addition, about K 22,000 worth of agricultural stores such as ploughs, harrows bullock carts, mamooties, *dahs*, bullocks and buffaloes are being distributed to local cultivators.

Comparative Statement of Expenditure



Expenditure incurred in respect of surrendered personnel during the tenure of AFPFL Government for the period from January 1958, to October 1958.

Expenditure incurred in respect of surrendered personnel during the tenure of Bogoyke Government for the period from January 1959, to December 1959.

Comparative Table of Losses on Our Side and of the Insurgent Forces

Serial No. (1)	Year (2)	Month (3)	Killed		Wounded		Captured		Went under- ground	Surren- dered	Bren		Sten		Rifle		Other Weapons	
			Our Side (4)	Enemy (5)	Our Side (6)	Enemy (7)	Our Side (8)	Enemy (9)	Our Side (10)	Enemy (11)	Our Side (12)	Enemy (13)	Our Side (14)	Enemy (15)	Our Side (16)	Enemy (17)	Our Side (18)	Enemy (19)
1	1958 ...	November ...	26	66	40	114	5	39	25	45	3	4	2	14	59	80	7	10
2	1958 ...	December ...	35	112	30	129	4	118	7	87	6	5	7	21	31	146	13	24
3	1959 ...	January ...	26	91	26	105	6	85	19	173	3	6	3	22	51	152	40	47
4	1959 ...	February ...	57	113	60	159	3	108	16	202	4	16	4	30	59	202	1	58
5	1959 ...	March ...	30	156	57	150	6	104	5	211	2	9	3	28	38	254	7	41
6	1959 ...	April ...	32	90	46	114	3	111	34	317	...	11	6	28	49	230	15	74
7	1959 ...	May ...	81	210	86	225	18	136	11	296	4	11	8	29	110	277	12	88
8	1959 ...	June ...	41	182	53	216	12	83	21	343	3	19	7	38	43	307	14	70
9	1959 ...	July ...	37	155	53	129	5	112	3	341	1	3	1	53	26	314	5	85
10	1959	August ...	24	97	49	94	12	55	16	327	2	10	2	47	33	287	1	69
11	1959 ...	September ...	25	137	32	132	5	75	...	337	2	9	3	43	14	249	...	51
12	1959 ...	October ...	28	122	40	91	7	64	14	256	2	5	8	26	32	150	1	27
13	1959 ...	November ...	69	204	53	189	4	95	55	357	5	12	7	41	52	283	7	71
14	1959 ...	December ...	44	137	36	112	...	53	9	326	3	11	6	33	68	243	2	194
Total ...			555	1,872	661	1,959	90	1,238	235	3,618	40	131	67	453	665	3,174	125	909

Our Losses (Month by Month)

Serial No. (1)	Year (2)	Month (3)	Dead (4)	Wounded (5)	Captured (6)	Went under ground (7)	Bren (8)	Sten (9)	Rifle (10)	Other weapons (11)
1	1958 ...	November ...	26	40	5	25	3	2	59	7
2	195 ...	December ...	35	30	4	7	6	7	31	13
3	1959 ...	January ...	26	26	6	19	3	3	51	40
4	1959 ...	February ...	57	60	3	16	4	4	59	1
5	1959 ...	March ...	30	57	6	5	2	3	38	7
6	1959 ...	April ...	32	46	3	34	...	6	49	15
7	1959 ...	May ...	81	86	18	11	4	8	110	12
8	1959 ...	June ...	41	53	12	21	3	7	43	14
9	1959 ...	July ...	37	53	5	3	1	1	26	5
10	1959 ...	August ...	24	49	12	16	2	2	33	1
11	1959 ...	September ...	25	32	5	...	2	3	14	...
12	1959 ...	October ...	28	40	7	14	2	8	32	1
13	1959 ...	November ...	69	53	4	55	5	7	52	7
14	1959 ...	December ...	44	36	...	9	3	6	68	2
Total ...			555	661	90	235	40	67	665	125

Month by Month Losses of Various Forces on Our Side.

Serial No.	Year	Month	Army				UMP				Police				Special Police Reserve.				Local Defence Forces.			
			Dead	Wounded	Captured	Went under-ground	Dead	Wounded	Captured	Went under-ground	Dead	Wounded	Captured	Went under-ground	Dead	Wounded	Captured	Went under-ground	Dead	Wounded	Captured	Went under-ground
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)
1	1958	... November ...	21	32	2	2	...	...	1	2	...	...	...	...	5	5	...	21	...	3	2	...
2	1958	... December ...	19	11	1	3	6	10	...	...	...	...	...	...	7	8	...	4	3	1	3	...
3	1959	... January ...	11	19	...	7	5	1	...	...	5	...	...	...	5	3	1	12	...	3	5	...
4	1959	... February ...	38	42	1	4	1	1	...	1	7	2	...	...	10	11	...	2	1	4	2	9
5	1959	... March ...	15	38	3	4	9	4	...	...	5	6	...	...	1	7	3	1	...	2	...	...
6	1959	... April ...	22	34	...	7	...	4	...	3	1	3	...	...	6	5	...	24	3	...	3	...
7	1959	... May ...	54	59	...	2	3	1	...	1	3	...	...	4	17	15	1	2	4	...	11	2
8	1959	... June ...	21	38	...	8	6	5	1	4	1	3	2	...	6	3	...	8	7	4	9	1
9	1959	... July ...	18	27	...	...	6	9	1	...	1	3	...	...	8	11	2	2	4	3	2	1
10	1959	... August ...	9	34	...	5	2	2	...	...	6	3	1	...	6	7	...	...	1	3	11	11
11	1959	... September ...	16	23	...	...	4	5	4	...	4	1	1	...	1	3	...	...	...	...	...	...
12	1959	... October ...	22	33	1	1	1	2	...	...	...	...	...	...	2	2	...	...	3	3	6	13
13	1959	... November ...	32	38	...	7	17	7	3	25	2	1	1	20	15	3	...	2	3	4	...	1
14	1959	... December ...	16	25	...	...	10	2	...	1	...	1	...	6	4	3	...	1	14	5	...	1
Total			314	453	8	50	70	53	10	37	35	23	5	30	93	86	7	79	43	46	60	39

Insurgent Losses (Month by Month)

Serial No. (1)	Year (2)	Month (3)	Dead (4)	Wounded (5)	Captured (6)	Surrendered (7)	Bren (8)	Sten (9)	Rifle (10)	Other Weapons (11)
1	1958	... November ...	66	114	39	45	4	14	80	10
2	1958	... December ...	112	129	118	87	5	21	146	24
3	1959	... January ...	91	105	85	173	6	22	152	47
4	1959	... February ...	113	159	108	202	16	30	202	58
5	1959	... March ...	156	150	104	211	9	28	254	41
6	1959	... April ...	90	114	111	317	11	28	230	74
7	1959	... May ...	210	225	136	296	11	29	277	88
8	1959	... June ...	182	216	83	343	19	38	307	70
9	1959	... July ...	155	129	112	341	3	53	314	85
10	1959	... August ...	97	94	55	327	10	47	287	69
11	1959	... September ...	137	132	75	337	9	43	249	51
12	1959	... October ...	122	91	64	256	5	26	150	27
13	1959	... November ...	204	189	95	357	12	41	283	71
14	1959	... December ...	137	112	53	326	11	33	243	194
Total ...			1,872	1,959	1,238	3,618	131	453	3,174	909

Month by Month Losses of Various Categories of Insurgents

Serial No. (1)	Year (2)	Month (3)	Killed							Wounded							Captured						
			White Flag (4)	Red Flag (5)	Karen (6)	Mon (7)	Shan (8)	KMT (9)	Muja- hid (10)	White Flag (11)	Red Flag (12)	Karen (13)	Mon (14)	Shan (15)	KMT (16)	Muja- hid (17)	White Flag (18)	Red Flag (19)	Karen (20)	Mon (21)	Shan (22)	KMT (23)	Muja- hid (24)
1	1958	November	23	18	22	...	2	1	...	26	14	59	...	...	15	...	...	1	2	...	1	...	...
2	1958	December	38	10	62	...	1	...	1	36	6	86	...	...	1	...	55	13	48	...	...	2	...
3	1959	January ...	31	10	50	...	...	...	...	35	7	63	...	...	...	...	40	6	37	...	...	2	...
4	1959	February	52	21	34	1	4	1	...	53	13	75	...	15	...	3	69	25	14	...	...	...	...
5	1959	March ...	45	6	47	...	...	57	1	39	6	101	1	...	1	2	41	7	44	1	...	5	6
6	1959	April ...	28	3	53	3	3	...	...	29	2	74	...	1	6	2	6	3	40	...	...	...	...
7	1959	May ...	53	14	53	6	32	49	3	39	10	60	3	88	25	...	72	7	24	4	...	...	29
8	1959	June ...	46	13	87	3	1	30	2	46	36	110	5	...	16	3	44	9	15	...	2	5	8
9	1959	July ...	60	10	48	2	3	26	6	49	11	24	1	1	39	4	76	5	23	1	3	...	4
10	1959	August ...	42	9	23	2	3	14	5	53	4	40	...	...	3	4	23	10	19	...	...	3	...
11	1959	September	70	4	45	...	1	16	1	48	1	75	2	...	2	4	49	3	22	...	1	...	...
12	1959	October ...	27	4	72	...	18	...	1	12	1	72	2	4	...	...	31	15	11	...	...	5	2
13	1959	November	42	18	56	2	85	1	...	33	15	56	4	81	...	...	48	4	32	1	5	2	3
14	1959	December	16	8	69	1	42	...	1	21	10	60	3	18	...	...	19	2	23	...	7	...	2
		Total ...	573	148	721	20	195	194	21	519	136	945	21	208	108	22	670	110	354	7	19	24	54

Insurgent Surrenders by Category

Serial No	Year	Month	White Flag Communist	Red Flag Communist	KNDO (Karen)	MNDO (Mon)	Shan insurgents	KMT0	Mujahids	Total	Arms Handed In			
											Bren	Sten	Rifle	Others
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(11)	(12)	(13)	(14)
1	1958	... November	31	4	7	...	...	3	...	45	1	7	23	...
2	1958	... December	36	5	43	...	...	3	...	87	1	7	56	1
3	1959	... January	130	24	19	...	...	8	...	173	2	9	93	20
4	1959	... February	176	3	12	...	...	8	3	202	11	18	114	22
5	1959	... March	148	15	43	1	...	4	...	211	4	20	128	20
6	1959	... April	173	9	115	...	...	20	...	317	7	17	132	51
7	1959	... May	116	31	144	...	...	5	...	296	8	20	178	59
8	1959	... June	160	33	101	...	46	3	...	343	8	26	149	45
9	1959	... July	184	27	102	...	19	9	...	341	1	26	197	44
10	1959	... August	200	27	94	...	...	6	...	327	4	29	167	36
11	1959	... September	234	32	68	...	...	3	...	337	3	13	116	25
12	1959	... October	184	16	45	...	3	7	1	256	1	12	79	17
13	1959	... November	233	22	72	6	7	17	...	357	2	23	139	36
14	1959	... December	201	35	63	2	22	3	..	326	6	24	176	33
Total			2,206	283	928	9	97	91	4	3,618	59	251	1,747	409

Losses among Insurgent Leadership in various Categories (Month by Month)

Serial No. (1)	Kind of Insurgent (2)	Politburo Level				Central Committee Level				Divisional Committee Level				District Committee Level				Township Committee Level				Total				Remarks (27)
		Dead (3)	Cap- tured (4)	Surren- dered (5)	Total (6)	Dead (7)	Cap- tured (8)	Surren- dered (9)	Total (10)	Dead (11)	Cap- tured (12)	Surren- dered (13)	Total (14)	Dead (15)	Cap- tured (16)	Surren- dered (17)	Total (18)	Dead (19)	Cap- tured (20)	Surren- dered (21)	Total (22)	Dead (23)	Cap- tured (24)	Surren- dered (25)	Total (26)	
1	White Flag Communists.	...	...	...	...	1	2	2	5	6	2	5	13	13	13	39	65	34	20	97	151	54	37	143	234	
2	Red Flag Communists.	...	1	...	1	...	1	1	2	...	...	...	...	3	2	9	14	1	1	10	12	4	5	20	29	
3	KNDO. (Karen).	...	...	1	1	...	2	...	2	5	1	6	8	5	1	6	12	7	1	24	32	13	5	37	55	
4	MNDO (Mon).	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
5	Shan Insurgents.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
6	KMTs ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	1	...	...	1	Rank of General.
7	Mujahids	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
8	Total ...	...	1	1	2	1	5	3	9	7	3	11	21	21	16	54	91	42	22	131	195	72	47	200	319	

Achievements of People's Reporters

Serial No.	Year		Month		Insurgent Losses						
					Dead	Wounded	Captured	Bren	Sten	Rifles	Other Weapons
(1)	(2)		(3)		(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	1958	...	November	...	2	1	...	...	...	2	...
2	1958	...	December	...	...	...	...	...	...	...	...
3	1959	...	January	...	2	...	6	3	10	47	71
4	1959	...	February	...	6	...	8	2	3	24	20
5	1959	...	March	...	...	...	...	...	1	26	8
6	1959	...	April	...	2	...	16	1	1	7	9
7	1959	...	May	...	13	1	27	...	6	73	68
8	1959	...	June	...	10	3	...	2	5	35	15
9	1959	...	July	...	13	8	30	1	2	42	17
10	1959	...	August	...	10	3	3	2	13	54	20
11	1959	...	September	...	18	3	5	2	2	30	38
12	1959	...	October	...	7	...	11	...	2	26	10
13	1959	...	November	...	8	2	10	...	5	29	5
14	1959	...	December	...	20	3	...	1	3	5	11
Total ...					111	24	116	14	53	400	292

List of Successes and Losses in Engagements (From November 1958 to December 1959)

Unit (1)	Total No. of Engagements		Killed		Wounded		Captured		Surrender		Bren			Sten			Rifle			Other Weapons		
	Big (2)	Small (3)	Our Side (4)	Enemy (5)	Our Side (6)	Enemy (7)	Our Side (8)	Enemy (9)	Our Side (10)	Enemy (11)	Our Side (12)	Enemy (13)	Surrendered (14)	Our Side (15)	Enemy (16)	Surrendered (17)	Our Side (18)	Enemy (19)	Surrendered (20)	Our Side (21)	Enemy (22)	Surrendered (23)
Regiment (1) ...	...	51	8	28	5	23	...	30	...	55	...	2	1	...	6	6	4	46	20	1	7	3
Brigade (1) ...	9	71	6	55	12	49	2	70	...	116	1	6	5	1	2	6	5	99	43	...	27	9
Brigade (2) ...	26	291	44	134	42	169	2	97	4	221	1	7	3	3	15	14	40	146	100	3	29	16
Brigade (3) ...	57	329	60	135	63	112	16	41	22	36	2	2	1	11	6	5	104	55	22	4	6	2
Brigade (4) ...	15	59	33	71	34	32	2	16	17	24	3	5	...	5	5	...	27	29	11	...	18	...
Brigade (5) ...	28	252	32	93	63	201	3	44	36	28	2	3	...	3	14	3	61	61	13	1	38	1
Brigade (6) ...	30	65	33	153	25	129	2	30	56	30	3	2	...	4	16	6	31	60	16	8	170	3
Brigade (7) ...	...	71	3	54	4	43	3	128	3	322	...	5	...	...	8	1	25	87	29	9	10	...
Brigade (8) ...	78	375	100	331	116	457	12	284	24	965	9	11	14	11	38	88	110	227	523	5	54	160
Brigade (9) ...	16	64	31	204	35	177	11	21	2	150	...	1	2	2	3	8	17	14	21	2	5	5
Brigade (10) ...	15	130	35	89	22	48	4	45	3	145	4	5	...	4	17	8	39	67	79	5	6	13
Brigade (11) ...	19	249	29	147	44	76	1	96	...	397	1	4	8	4	13	22	41	121	204	5	11	41
Brigade (12) ...	45	210	90	156	116	189	13	93	4	444	6	6	12	10	19	36	45	145	291	7	16	59
Brigade (13) ...	18	162	23	101	33	94	4	113	3	315	1	7	5	1	21	16	6	141	172	46	41	51
Arakan Combined Forces.	26	231	12	80	27	89	6	95	47	208	6	4	5	6	10	10	86	86	112	21	48	27
Naypyidaw Forces.	4	136	16	41	20	71	9	35	14	162	1	2	3	2	9	22	26	43	91	8	14	19
Total ...	386	2,743	555	1,872	661	1,959	90	1,238	235	3,618	40	72	59	67	202	251	665	1,427	1,747	125	500	409

Losses on Our Side (From November 1958 to December 1959)

Serial No.	Unit	Army								UMP								Police							
		Dead	Wounded	Captured	Went under-ground	Rifle	Bren	Sten	Other Weapons	Dead	Wounded	Captured	Went under-ground	Rifles	Bren	Sten	Other Weapons	Dead	Wounded	Captured	Went under-ground	Rifles	Bren	Sten	Other Weapons
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)
1	Regiment (1) ...	6	4	...	...	1	...	...	...	...	...	...	...	...	...	...	...	1	...	...	...	1	...	...	...
2	Brigade (1) ...	...	7	...	...	...	...	...	...	2	4	1	...	...	...	1	...	4	1	1	...	5	1	...	...
3	Brigade (2) ...	28	33	2	3	1	...	1	...	7	4	...	...	6	1	1	...	2	...	...	...	1	...	...	...
4	Brigade (3) ...	33	50	...	14	29	2	8	1	2	...	...	...	2	...	...	...	...	...	...	...	...	...	...	...
5	Brigade (4) ...	26	24	...	7	17	3	5	...	6	6	2	1	3	...	...	...	1	1	...	9	7	...	...	...
6	Brigade (5) ...	19	46	...	2	1	...	1	...	...	...	...	...	...	...	...	...	5	2	...	...	1	...	1	...
7	Brigade (6) ...	6	16	...	5	4	...	2	5	23	4	1	30	22	3	2	2	1	4	1	21	5	...	...	1
8	Brigade (7) ...	2	2	1	...	...	...	...	2	...	...	...	3	4	...	...	...	...	2	...	...	...	...	...	...
9	Brigade (8) ...	47	70	...	6	19	2	1	1	13	14	...	1	3	5	5	2	5	1	...	...	5	...	...	...
10	Brigade (9) ...	28	27	...	2	11	...	2	2	2	7	...	...	...	...	...	...	1	...	...	...	...	...	...	...
11	Brigade (10) ...	7	10	...	1	2	...	...	...	5	2	...	...	2	1	2	...	6	...	1	...	8	1	1	1
12	Brigade (11) ...	20	28	...	...	1	1	2	...	1	...	...	...	2	...	...	...	1	1	...	...	1	...	...	...
13	Brigade (12) ...	59	94	4	...	17	4	5	2	3	3	4	...	6	1	3	...	4	2	...	...	...	...	...	...
14	Brigade (13) ...	13	22	...	...	...	1	1	1	3	3	...	2	2	...	...	...	3	3	...	...	4	...	...	...
15	Arakan Combined Forces.	5	6	...	10	13	3	2	...	3	3	2	...	3	...	1	...	1	6	2	...	4	1	...	...
16	Naypyidaw Forces ...	12	14	1	...	1	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
	Total ...	314	453	8	50	117	19	30	14	70	53	10	37	55	11	15	4	35	23	5	30	42	3	2	2

Losses on Our Side (From November 1958 to December 1959)—concl'd.

Serial No.	Unit	Special Police Reserves								Local Defence Forces							
		Dead	Wounded	Captured	Went under-ground	Rifle	Bren	Sten	Other Weapons	Dead	Wounded	Captured	Went under-ground	Rifle	Bren	Sten	Other Weapons
(1)	(2)	(27)	(28)	(29)	(30)	(31)	(34)	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)
1	Regiment (1) ...	1	1	...	...	2	...	...	1	...	...	...	...	...	...	...	...
2	Brigade (1) ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
3	Brigade (2) ...	6	5	...	...	18	...	...	1	1	...	...	1	14	...	1	2
4	Brigade (3) ...	10	8	1	6	26	...	1	...	5	5	15	2	47	...	2	3
5	Brigade (4) ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
6	Brigade (5) ...	4	12	...	26	26	2	1	...	4	3	3	8	33	...	...	1
7	Brigade (6) ...	...	...	...	...	...	...	...	...	...	1	...	...	...	...	...	...
8	Brigade (7) ...	1	...	1	...	3	...	...	...	...	...	1	...	18	...	...	7
9	Brigade (8) ...	21	20	...	15	14	1	2	...	14	11	12	2	49	1	3	2
10	Brigade (9) ...	...	...	...	...	...	...	...	...	...	1	11	...	6	...	...	...
11	Brigade (10) ...	16	7	3	1	26	2	1	4	1	3	...	1	1	...	...	...
12	Brigade (11) ...	6	5	...	...	5	...	2	...	1	10	1	...	32	...	...	5
13	Brigade (12) ...	20	13	1	4	18	1	2	...	4	4	4	...	4	...	...	5
14	Brigade (13) ...	4	3	...	...	...	...	...	...	...	2	4	...	...	...	...	45
15	Arakan Combined Forces.	30	9	1	24	33	2	3	16	...	3	1	14	33	...	...	5
16	Naypyidaw Forces ...	1	3	...	3	6	...	1	...	3	3	8	11	17	1	1	8
	Total ...	93	86	7	76	197	8	13	22	43	46	60	39	254	2	7	83

Losses Inflicted on Various Categories of Insurgents

Serial No.	Unit		Karens												
			Dead	Wounded	Captured	Surrendered	Rifles		Bren		Sten		Others		
							In action	Surrendered	In action	Surrendered	In action	Surrendered	In action	Surrendered	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)		
1	Regiment (1)	...	4	...	...	...	...	...	...	...	...	...	...
2	Brigade (1)	...	...	...	...	...	...	...	...	...	...	...	...
3	Brigade (2)	...	75	90	33	34	79	13	5	...	10	...	14	...	
4	Brigade (3)	...	131	104	36	28	53	18	2	1	6	4	6	1	
5	Brigade (4)	...	2	...	4	1	3	...	...	...	...	...	...	...
6	Brigade (5)	...	48	157	30	11	30	7	2	...	9	2	11	1	
7	Brigade (6)	...	...	...	...	...	...	...	...	...	...	...	...	...
8	Brigade (7)	...	...	...	...	...	...	...	...	...	...	...	...	...
9	Brigade (8)	...	220	315	151	474	110	262	5	5	23	42	17	75	
10	Brigade (9)	...	...	...	...	...	...	...	...	...	...	...	...	...
11	Brigade (10)	...	...	...	...	...	...	...	...	...	...	...	...	...
12	Brigade (11)	...	56	35	22	47	59	26	2	1	10	2	5	4	
13	Brigade (12)	...	139	158	65	255	112	163	5	8	13	25	8	44	
14	Brigade (13)	...	31	49	11	36	25	25	4	...	3	3	7	1	
15	Arakan Combined Forces.	...	...	...	...	...	...	...	...	...	...	...	...	...
16	Naypyidaw Forces	...	17	37	2	42	10	27	1	...	...	4	1	5
Total			...	723	945	354	928	481	541	26	15	74	82	60	131

Losses Inflicted on Various Categories of Insurgents—contd.

Serial No.	Unit	White Flag Communists											
		Dead	Wounded	Captured	Surrendered	Rifles		Bren		Sten		Others	
						In action	Surrendered	In action	Surrendered	In action	Surrendered	In action	Surrendered
(1)	(2)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(15)	(26)
1	Regiment (1)	23	23	26	54	42	20	2	1	6	5	7	3
2	Brigade (1)	35	31	47	80	84	30	5	5	2	3	10	7
3	Brigade (2)	59	79	64	186	67	87	2	3	5	14	15	16
4	Brigade (3)	3	3	5	7	2	3	...	...	...	1	...	1
5	Brigade (4)	23	4	8	9	14	6	3	...	1	...	3	...
6	Brigade (5)	20	18	7	7	8	2	1	...	1	1	23	...
7	Brigade (6)	16	15	12	3	22	3	...	...	12	...	4	1
8	Brigade (7)	36	34	116	306	64	27	4	...	5	1	6	...
9	Brigade (8)	111	142	133	479	117	256	6	9	15	46	37	82
10	Brigade (9)	...	...	...	...	...	...	...	...	...	...	...	...
11	Brigade (10)	44	14	30	85	48	44	3	...	13	5	4	7
12	Brigade (11)	91	41	74	350	62	178	2	7	3	20	6	37
13	Brigade (12)	11	26	19	151	24	105	1	4	4	8	6	12
14	Brigade (13)	68	44	97	253	111	128	3	3	18	12	32	45
15	Arakan Combined Forces.	30	38	30	169	44	91	3	4	4	8	27	20
16	Naypyidaw Forces	3	8	2	67	...	40	...	2	3	9	4	7
Total		573	519	670	2,206	709	1,020	35	308	92	133	181	238

Losses Inflicted on Various Categories of Insurgents—contd.

Serial No.	Unit	Red Flag Communists											
		Dead	Wounded	Captured	Surrendered	Rifles		Bren		Sten		Othes	
						In action	Surrendered	In action	Surrendered	In action	Surrendered	In action	Surrendered
(1)	(2)	(27)	(28)	(29)	(30)	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)
1	Regiment (1) ...	1	...	4	1	4	...	...	...	...	1	...	...
2	Brigade (1) ...	20	18	23	36	15	13	1	...	...	3	17	2
3	Brigade (2) ...	...	...	...	1	...	...	...	...	...	...	...	...
4	Brigade (3) ...	1	5	...	1	...	1	...	...	...	...	...	...
5	Brigade (4) ...	...	3	...	...	...	...	...	...	...	...	...	...
6	Brigade (5) ...	5	5	...	1	5	1	...	...	2	...	3	...
7	Brigade (6) ...	...	...	...	3	...	3	...	...	...	...	...	...
8	Brigade (7) ...	18	10	12	16	23	2	1	...	3	...	4	...
9	Brigade (8) ...	...	...	...	12	...	5	...	...	...	...	...	3
10	Brigade (9) ...	...	...	...	...	...	...	...	...	...	...	...	...
11	Brigade (10) ...	45	34	15	60	19	35	2	...	4	3	2	6
12	Brigade (11) ...	6	...	...	...	...	...	...	...	...	...	...	...
13	Brigade (12) ...	2	5	9	38	9	23	...	...	2	3	2	3
14	Brigade (13) ...	29	1	5	26	5	19	...	2	...	1	2	5
15	Arakan Combined Forces.	21	29	11	35	20	21	...	1	2	2	9	3
16	Naypyidaw Forces ...	...	26	31	53	33	24	1	1	6	9	9	7
Total ...		148	136	110	283	133	147	5	4	19	22	48	29

Losses Inflicted on Various Categories of Insurgents—contd.

Serial No.	Unit	KMT's												
		Dead	Wounded	Captured	Surrendered	Rifles		Bren		Sten		Others		
						In action	Surren- dered	In action	Surren- dered	In action	Surren- dered	In action	Surren- dered	
(1)	(2)	(39)	(40)	(41)	(42)	(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)	
1	Regiment (1)	...	...	...	...	...	...	...	...	...	...	...	...
2	Brigade (1)	...	...	...	...	...	...	...	...	...	...	...	...
3	Brigade (2)	...	...	...	...	...	...	...	...	...	...	...	...
4	Brigade (3)	...	...	...	...	...	...	...	...	...	...	...	...
5	Brigade (4)	...	1	...	5	...	3	...	...	1	...	...	...
6	Brigade (5)	...	...	...	...	...	...	...	...	...	...	...	...
7	Brigade (6)	...	22	20	6	5	2	2	...	...	2	7	...
8	Brigade (7)	...	...	...	...	...	...	...	...	...	...	...	...
9	Brigade (8)	...	...	...	...	...	...	...	...	...	...	...	...
10	Brigade (9)	...	171	88	18	81	14	15	1	2	3	8	4	2
11	Brigade (10)	...	...	...	...	...	...	...	...	...	...	...	...
12	Brigade (11)	...	...	...	...	...	...	...	...	...	...	...	...
13	Brigade (12)	...	...	...	...	...	...	...	...	...	...	...	...
14	Brigade (13)	...	...	...	...	...	...	...	...	...	...	...	...
15	Arakan Combined Forces.	...	...	...	...	...	...	...	...	...	...	...	...
16	Naypyidaw Forces	...	...	...	...	...	...	...	...	...	...	...	...
Total		...	194	108	24	91	16	20	1	2	4	10	11	2

Losses Inflicted on Various Categories of Insurgents—contd.

Serial No.	Unit	Mujahids											
		Dead	Wounded	Captured	Surrendered	Rifles		Bren		Sten		Others	
						In action	Surrendered	In action	Surrendered	In action	Surrendered	In action	Surrendered
(1)	(2)	(51)	(52)	(53)	(54)	(55)	(56)	(57)	(58)	(59)	(60)	(61)	(62)
1	Regiment (1)	...	...	...	...	...	...	...	...	...	...	...	...
2	Brigade (1)	...	...	...	...	...	...	...	...	...	...	...	...
3	Brigade (2)	...	...	...	...	...	...	...	...	...	...	...	...
4	Brigade (3)	...	...	...	...	...	...	...	...	...	...	...	...
5	Brigade (4)	...	...	...	...	...	...	...	...	...	...	...	...
6	Brigade (5)	...	...	...	...	...	...	...	...	...	...	...	...
7	Brigade (6)	...	...	...	...	...	...	...	...	...	...	...	...
8	Brigade (7)	...	...	...	...	...	...	...	...	...	...	...	...
9	Brigade (8)	...	...	...	...	...	...	...	...	...	...	...	...
10	Brigade (9)	...	...	...	...	...	...	...	...	...	...	...	...
11	Brigade (10)	...	...	...	...	...	...	...	...	...	...	...	...
12	Brigade (11)	...	...	...	...	...	...	...	...	...	...	...	...
13	Brigade (12)	...	...	...	...	...	...	...	...	...	...	...	...
14	Brigade (13)	...	...	...	...	...	...	...	...	...	...	...	...
15	Arakan Combined Forces.	21	22	54	4	22	...	1	...	4	...	15	4
16	Naypyidaw Forces	...	...	...	...	...	...	...	...	...	...	...	...
	Total	21	22	54	4	22	...	1	...	4	...	15	4

Losses Inflicted on Various Categories of Insurgents—contd.

Serial No.	Unit	Mons											
		Dead	Wounded	Captured	Surrendered	Rifles		Bren		Sten		Others	
						In action	Surrendered	In action	Surrendered	In action	Surrendered	In action	Surrendered
(1)	(2)	(63)	(64)	(65)	(66)	(67)	(68)	(69)	(70)	(71)	(72)	(73)	(74)
1	Regiment (1)	...	...	...	...	...	...	...	...	...	...	...	...
2	Brigade (1)	...	...	...	...	...	...	...	...	...	...	...	...
3	Brigade (2)	...	...	...	...	...	...	...	...	...	...	...	...
4	Brigade (3)	...	...	...	...	...	...	...	...	...	...	...	...
5	Brigade (4)	...	...	...	...	...	...	...	...	...	...	...	...
6	Brigade (5)	...	...	...	...	...	...	...	...	...	...	...	...
7	Brigade (6)	...	20	21	7	9	18	3	...	...	2	...	1
8	Brigade (7)	...	...	...	...	...	...	...	...	...	...	...	...
9	Brigade (8)	...	...	...	...	...	...	...	...	...	...	...	...
10	Brigade (9)	...	...	...	...	...	...	...	...	...	...	...	...
11	Brigade (10)	...	...	...	...	...	...	...	...	...	...	...	...
12	Brigade (11)	...	...	...	...	...	...	...	...	...	...	...	...
13	Brigade (12)	...	...	...	...	...	...	...	...	...	...	...	...
14	Brigade (13)	...	...	...	...	...	...	...	...	...	...	...	...
15	Arakan Combined Forces.	...	...	...	...	...	...	...	...	...	...	—	...
16	Naypyidaw Forces	...	...	...	...	...	...	...	...	...	...	...	...
Total		...	20	21	7	9	18	3	...	...	2	...	1

Losses Inflicted on Various Categories of Insurgents—contd.

Serial No.	Unit	Shans											
		Dead	Wounded	Captured	Surrendered	Rifles		Bren		Sten		Others	
						In action	Surrendered	In action	Surrendered	In action	Surrendered	In action	Surrendered
(1)	(2)	(75)	(76)	(77)	(78)	(79)	(80)	(81)	(82)	(83)	(84)	(85)	(86)
1	Regiment (1)	...	...	...	...	..	...	...	...	...	...	...	...
2	Brigade (1)	...	...	...	...	...	...	...	...	...	...	..	...
3	Brigade (2)	...	...	...	...	...	...	...	...	...	...	...	...
4	Brigade (3)	...	...	...	..	...	...	...	...	...	...	...	...
5	Brigade (4)	...	45	25	4	9	12	2	2	...	3	...	15
6	Brigade (5)	...	...	...	...	...	...	...	...	...	...	...	...
7	Brigade (6)	...	115	94	12	19	36	8	2	...	4	4	159
8	Brigade (7)	...	...	...	...	...	...	...	...	...	...	...	...
9	Brigade (8)	...	...	...	...	...	...	...	...	...	...	...	...
10	Brigade (9)	...	33	89	3	69	...	6	...	...	...	...	1
11	Brigade (10)	...	...	...	...	...	...	...	...	...	...	...	3
12	Brigade (11)	...	...	...	...	...	...	...	...	...	...	...	...
13	Brigade (12)	...	...	...	...	...	...	...	...	...	...	...	...
14	Brigade (13)	...	...	...	...	...	...	...	...	...	...	...	...
15	Arakan Combined Forces.	...	...	...	...	...	...	...	...	...	...	...	...
16	Naypyidaw Forces	...	...	...	...	...	...	...	...	...	...	...	...
Total		...	193	208	19	97	48	16	4	...	7	4	175
													5

*List of Arms Recovered from November
1958 to July 1959*

*From November 1958 to July 1959 + from
August 1959 to December 1959*

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Unit (1)	Arms Recovered							Total (9)	Concealed Arms Unearthed								Total (18)
	(2)	(3)	(4)	(5)	(6)	(7)	(8)		(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	
Regiment (1) ...	715	...	79	3,064	1,717	19	616	6,210	215	7	17	22	7	35	6	309	6,519
Brigade (1) ...	89	...	11	147	235	1,977	18	2,477	156	6	6	15	28	160	5	376	2,853
Brigade (2) ...	74	...	...	42	28	...	...	144	87	1	8	9	19	12	3	139	283
Brigade (3) ...	62	...	6	30	...	...	...	98	29	3	7	1	9	...	...	49	147
Brigade (4) ...	408	3	14	197	64	...	12	698	99	1	15	14	5	19	6	159	857
Brigade (5) ...	15	2	...	61	5	...	1	84	125	4	11	181	12	204	2	539	623
Brigade (6) ...	2,218	...	53	155	...	7,659	315	10,400	620	2	45	208	3	5,250	1	6,129	16,529
Brigade (7) ...	13	...	5	55	33	4	...	100	56	2	16	11	1	25	6	117	227
Brigade (8) ...	294	2	123	472	112	315	11	1,329	361	9	33	154	62	250	14	883	2,212
Brigade (9) ...	549	5	69	82	...	...	23	728	4	...	2	1	...	...	1	8	736
Brigade (10) ...	495	2	51	216	51	37	5	857	99	3	14	15	5	19	1	156	1,013
Brigade (11) ...	58	5	34	112	33	...	1	243	88	4	9	8	7	2	2	120	363
Brigade (12) ...	29	1	12	315	5	...	1	363	136	6	24	18	22	4	3	213	576
Brigade (13) ...	7,957	2	172	561	802	2,908	8	12,410	1,011	...	232	358	333	2,108	1	4,043	16,453
Arakan Combined Forces.	170	3	13	99	18	7	4	314	86	2	1	14	24	666	1	794	1,108
Naypyidaw Forces	298	...	21	729	67	1	...	1,116	125	2	23	41	22	41	2	256	1,372
Total ...	13,444	25	663	6,337	3,170	12,927	1,015	37,581	3,297	52	463	1,070	559	8,795	54	14,290	51,871



U Chan Tun Aung, Minister

Ministry of Judicial Affairs

The various departments or functions under the jurisdiction of the Ministry of Judicial Affairs may be listed as follows:

1. *High Court.*
2. *Law Courts.*
3. *Prisons.*
4. *Parliamentary Election Commission.*
5. *Attorney-General's Department.*
6. *Administrator-General and Official Assignee's Department.*
7. *Laws Revision and Laws Translation Department.*

I. Administration of Justice

The Ministry of Judicial Affairs has under its control the law courts and the prisons, overcrowding at either of which is generally regarded as an indication that crime is on the increase. A cursory glance at the figures furnished by the law courts and the prisons will show that there has, during the last 15 months, been an increase in the number of cases brought to trial before the courts and in the number of prisoners sent to jail.

This increase however does not indicate that there has been an increase in crime.

On the other hand it shows that the law enforcing officers have worked harder and

have brought more law-breakers to book while the average crime index remains constant.

It is not within the province of the law court to expedite disposal of cases as it pleases. There are several factors which tend to cause delay in the trial of cases. One of these is the absence of witnesses. The law forbids the punishment of an accused person without proof of his guilt. To prove the guilt witnesses have to be examined by the court. If the witnesses are absent the court cannot proceed with the case. Hence the delay.

Another factor is incomplete investigation by the Police. An examination of the

judicial records sent to this Ministry in connection with memorials for clemency from prisoners condemned to death, or for remission of sentences from prisoners sent to jail, show that in several cases the courts had to call in further evidence to complete the case against the accused. It would not have been necessary to adjourn a case for further evidence if the Investigating Officer had examined all witnesses necessary in the case to bring the offender to book.

The failure of the Investigating Officer to send up all necessary witnesses to court may be due to lack of proper training on the part of the Investigating Officer for a proper appraisal of the evidence, or due to unwillingness on his part to take the risk of travelling to remote places in the countryside, where law and order is lacking, to examine witnesses whose statements he knows to be important for a successful launching of the prosecution.

Law and order has now been restored even in the remotest part of the countryside in most of the districts, and the Police now take less time to send up cases. Investigation is also more complete, and instances are now rare where the court has to order further investigation.

These factors alone, to a great extent, help the law courts to expedite the disposal of cases. The creation of temporary courts to deal with a backlog of cases filed in previous years and pending before the permanent courts have to a great extent relieved the congestion of cases.

The conferment of summary powers on magistrates deserving of such powers, has also contributed to the speedy disposal of cases.

On the part of the Police, they have been able to proceed against the law-breakers who have an influential political party as its protector without fear of victimization.

With the restoration of law and order in the countryside witnesses are now able to travel safely to court to give evidence, and this factor together with the training given to Police, Investigating Officers and Court Prosecuting Officers have contributed to the speedy disposal of cases in law courts.

Increase in the number of cases brought to trial before the magistrate's courts and Courts of Session has the effect of increase in the volume of work in the High Court, Rangoon, which takes up cases on appeal or on revision. The disposal of these cases has been done quickly notwithstanding the fact that a permanent Judge of the High Court is detailed to sit at Mandalay to dispose of cases from Upper Burma, and two other Judges are acting as Presidents of two Special Crime Tribunals constituted to dispose of important criminal cases.

A total of 819 cases have been instituted on appeal, and 902 on revision during the period from October 1958 to end of January 1960 as compared with 371 appeal cases and 210 revision cases during the period from July 1957 to end of September 1958.

There has also been a slight increase in the number of Writ cases filed in the Supreme Court. Enforcement of security measures necessitated the arrest and detention of several persons suspected of undermining the security of the Union or having dealings with insurgents. Such detenus are not slow in resorting to constitutional remedies provided for in Section 25 of the Constitution of the Union of Burma. The Supreme Court has promptly but judiciously issued appropriate Writs in suitable cases.

II. High Court

In connection with the administration of justice throughout the Union, the High Court, Rangoon, has reported as follows:—

In the Rangoon District, the number of criminal regular cases triable only by

Special Judges increased very much, and two more Special Judges therefore were appointed in addition to the number of those already in service in order that the said criminal regular cases could be disposed of speedily. The Special Judges already in service and the said two Special Judges tried and disposed of the said criminal regular cases.

Therefore, the total number of the criminal regular cases disposed of by them in the last 15 months during the time of Bogyoke Ne Win's Government is 1,093 while the total number of the criminal regular cases disposed of by the Special Judges during the previous corresponding period is 330 only.

As the population of Rangoon had been increasing day by day, the number of criminal regular cases in Rangoon also had been increasing very much. The 13 Magistrates already in service were not sufficient in number. So, four more additional Magistrates were appointed. Then, the said criminal regular cases were disposed of speedily.

The total number of criminal regular cases disposed of in the last 15 months during the time of Bogyoke Ne Win's Government is 54,031 while the total number of criminal regular cases disposed of during the corresponding period is only 36,393.

The statistics show that during the year 1959, the total number of cases instituted against (1) juvenile offenders, (2) juveniles in need of care and protection and (3) adults who had committed offences against the children under the Children's Act, came up to 525. The offences dealt with by the Juvenile Court since its establishment included murder, abetment for murder, rape, dacoity, robbery, house-breaking, grievous hurt, theft and other similar offences. All the said 525 cases were disposed of and all the fines inflicted

amounting in all to K 9,083 were also recovered before the close of the year 1959.

The Juvenile Court therefore started the year 1960 with a clean sheet without any fine outstanding or cases pending from the previous year. The Juvenile Court is found to have been especially successful in dealing with the criminal offences in which children are involved.

In the districts within the Union of Burma, as the number of criminal regular cases triable only by Special Judges increased, the number of the Special Judges already in service was not sufficient. The District Magistrates and some Additional District Magistrates were appointed as Special Judges and the criminal regular cases triable only by the Special Judges were transferred to their courts for disposal in order that delay in their disposal could be avoided.

For administration of justice in the Rangoon District the report of the District Magistrate which is appended below may be referred to.

So long as the court receives the support and co-operation of the general public to come forward and give evidence without fear or favour, and of the Police to investigate and send up cases promptly, it will continue to maintain the present standard in the speedy disposal of cases. At this rate it is anticipated that some of the temporary posts of Special Judges and Additional Magistrates created to clear away the backlog of cases will have to be abolished in a year's time.

III. Law Courts

Any one visiting the Law Courts, popularly known as the Police Courts in Rangoon, could not have failed to notice the scant respect and the near contempt with which the public regarded these courts in the ten years previous to the assumption of General Ne Win's Government in October 1958.

With the enforcement of the spirit of law and order in every field of activity after General Ne Win's Government came into power, these law courts have resumed the dignity and prestige which they enjoyed in the pre-war years. It is undoubtedly a matter of great importance that law courts should command the respect and confidence of the general public, but the law courts also have suffered generally in the general deterioration in public morals in common with other social activities as an aftermath of the Great War.

One of the efforts taken up when General Ne Win's Government assumed the reins of office was directed towards the restoration of the dignity of the law courts and of public confidence in the integrity and efficiency of the Law Courts in Rangoon.

Amongst the reforms effected, one is the punctuality in attendance by the magistrates themselves, and for this purpose Government transport was provided for the conveyance of magistrates from their residences to the courts and back to their houses after court hours. Late attendance for lack of transport is therefore now a thing of the past. Provision of Government transport for magistrates is one way of raising the prestige of the magistrates, and has also prevented the recurrence of instances such as a magistrate having to come to court in the same conveyance as the accused person he was to try as had happened in the past.

The enforcement of the orders regarding punctual attendance in courts by magistrates was supervised personally by the Hon'ble Justice U Saw Ba Thein, who often made surprise visits to courts to see that magistrates are on their benches during court hours.

The District Magistrate, Rangoon, also goes his rounds of inspection, for the same purpose, at every available opportunity.

But the punctual attendance by Magistrates is not sufficient, and there is the possibility of the trial of cases being delayed if the witnesses also fail to attend the courts in time, and to ensure the attendance of witnesses in time, the District Magistrate, Rangoon, together with the Hon'ble Justice U Saw Ba Thein convened a meeting of the senior Police Officers, Doctors, Military Officers, Railway Officials, Officers of the Immigration, Income Tax, and Entertainment Tax Departments and explained the necessity of prosecution witnesses from their respective departments to attend courts in time for the speedy disposal of cases.

There has been a noticeable increase in the number of cases disposed of following the regular attendance of prosecution witnesses. A similar effort to get the attendance of defence witnesses also in time was made with the help rendered by National Solidarity Associations.

The increase in efficiency which follows these efforts may be seen in the following statistics:—

(a) *Number of witnesses who attended the Law Courts, Rangoon.*

<i>September 1, 1957 to October 31, 1958 (14 months).</i>	<i>November 1, 1958 to December 31, 1959 (14 months).</i>
33,473	50,774

(b) *Number of Cases sent up for trial before the Law Courts, Rangoon.*

<i>September 1, 1957 to October 31, 1958.</i>	<i>November 1, 1958 to December 31, 1959.</i>
44,138	58,021

Previous to General Ne Win's Government, there were 13 Stipendiary Magistrates, and 3 Benches of Honorary Magistrates, for the disposal of cases. Effective from December 31, 1958, the appointment of 4 more Stipendiary Magistrates was

sanctioned; and this has resulted in the increase in the number of cases disposed of, as shown below:—

(c) *Number of Cases disposed of by the Law Courts, Rangoon.*

<i>September 1, 1957 to October 31, 1958.</i>	<i>November 1, 1958 to December 31, 1959.</i>
36,393	54,032

With the object both of the speedy disposal of cases and of the convenience of the parties concerned, emergency courts were set up almost at the very places where offences under the following Acts were committed:—

- (i) Essential Supplies and Services Act.
- (ii) Burma Railways Act.
- (iii) Burma Motor Traffic Regulations.

Magistrates were sent to preside at these emergency Courts to try these offences on the spot, as well as, in their regular courts. The trial and disposal of such cases on the spot have been a great help in the establishment of law and order and of the spirit that law is swift and sure in the class of people for whom it is meant. This is reflected in the amount of fines imposed and realized.

(d) *Amount of fines imposed and realized by the Law Courts, Rangoon.*

<i>September 1, 1957 to October 31, 1958.</i>	<i>November 1, 1958 to December 31, 1959.</i>
K	K
9,17,921.00	16,47,716.40

The imposition and realization of the fines shown above show that magistrates can now do their duty without any sense of currying any one's favour or fearing any one's frown.

The reign of law which has been ushered in by General Ne Win's Government is apparent not only from the number of regular cases sent up for trial to the law

courts daily but also from the number of cases under the preventive sections, e.g., 109/110, Criminal Procedure Code. The number of such cases sent up are shown below:—

(e) *Number of Cases under the preventive sections in the Law Courts, Rangoon.*

<i>September 1, 1957 to October 31, 1958.</i>	<i>November 1, 1958 to December 31, 1959.</i>
325	499

Of the above cases, 217 cases were completely disposed of in the first period and 390 cases were disposed of in the second period. In addition, the following statements show the number of cases sent up and disposed of under the Acts noted against them:—

(i) *Under the Essential Supplies and Services Act, 1947.*

<i>September 1, 1957 to October 31, 1958.</i>	<i>November 1, 1958 to December 31, 1959.</i>
63 Disposed (58)	1,126 Disposed (1,063)

(ii) *Under the Foreigners Registration Act, 1948.*

<i>September 1, 1957 to October 31, 1958.</i>	<i>November 1, 1958 to December 31, 1959.</i>
14,707 (14,384)	20,885 (20,760)

(iii) *Under the Immigration Act, 1947.*

<i>September 1, 1957 to October 31, 1958.</i>	<i>November 1, 1958 to December 31, 1959.</i>
807 (739)	908 (806)

One reason for the speedy disposal of so many cases is that since the coming into office of General Ne Win's Government, the District Magistrate, Rangoon and all the Stipendiary Magistrates have each been empowered with special summary powers under Section 3 of the Public Order Preservation Act, 1947 (Burma Act 16 of 1947), which empowers first class Magistrates to try in a summary way all offences triable by first Class

Magistrates instead of those only under Section 260 of the Criminal Procedure Code.

In serious cases of crime, sentences were passed which are both deterrent and exemplary.

For instance, in the case in which a very large amount of jewellery and other valuables were stolen away from the house of Dr. Ba U, ex-President of the Union of Burma, the District Magistrate sentenced the principal accused Maung Kyaw to a total period of 14 years' rigorous imprisonment, namely 7 years for house-breaking, and another 7 years for robbery and his previous convictions were taken into consideration in passing the sentence. Maung Kyaw's accomplices also were sentenced to maximum terms of imprisonment for the offences for which they were found guilty. In this case, 100 witnesses for the prosecution and 18 witnesses for the defence were examined and the number of exhibits in the case ran into hundreds.

Nevertheless, the trial lasted a total period of 5 months and 11 days only.

Another instance is the case of the Communist "Colonel" Chit Kaung who was sentenced to death for high treason by the District Magistrate, Rangoon, sitting as a Special Judge.

Conditions in the post-war period were such that the number of magistrates was not enough to cope with the enormous increase in crime. The time of the magistrates was wholly occupied with the trial of cases and the clerks of the courts also were fully occupied with their ordinary duties. There has therefore been a number of cases in which a proper examination of the completed cases could not be made.

A large number of such cases and exhibits accumulated in the rooms of every court. The superintending officers also were unable to take effective action because

they were fully aware that in the existing circumstances nothing much could be done to clear up the mess that has accumulated during all these years.

Since the assumption of office by General Ne Win's Government, conditions began to improve and the First Additional Magistrate, Rangoon was placed on special duty to try and clear up, in accordance with Rules and Regulations, all the mess of accumulation in the different courts of Rangoon.

Since August 1959 this magistrate has been able to examine these cases and the presiding magistrates have also been able to comply with the requirements pointed out by the First Additional Magistrate, Rangoon.

It has now been possible for many cases to be sent to the Record Room and the accumulation of exhibits also has been cleared up to an appreciable extent. The First Additional Magistrate, Rangoon, has also been able to prepare a list of the missing cases and it is hoped that before long the state of affairs will be brought into a controllable and satisfactory condition.

The establishment of a Juvenile Court having jurisdiction over the city of Rangoon, and Insein and Hanthawaddy Districts was sanctioned by Government on 1st March 1958. This court tries cases committed by (1) juvenile offenders, (2) by adults who had committed offences against children under the Children's Act; and also cases of juveniles who are in need of care and protection. The Court is presided over by a Special Judge who had to make his own arrangements for the trial of cases in 1958 owing to difficulties in providing a suitable court room and accommodation.

Nevertheless, in 1958, 250 cases were instituted, all of which were disposed of except 4. In 1959, 525 cases were instituted and disposed of, and all fines imposed *viz.*

K 9,082 were realized. It has therefore been possible to start the new year 1960 with a clean sheet.

The number of cases disposed of shows that the establishment of a Juvenile Court in Rangoon has revolutionized the trial of cases in which children are involved. Protracted trials have come to an end.

In connection with the work of Magistrates in Rangoon, it is also necessary to mention the work of the Additional District Magistrate and the Special Additional District Magistrates appointed to deal with the large arrears of cases under the Union of Burma Citizenship Act, 1948.

Previous to the assumption of office by General Ne Win's Government, applications under the Union of Burma Citizenship Act, 1948 were handled only by the District Magistrate, Rangoon and the Additional Magistrate, Rangoon. Since then three Special Additional District Magistrates have been appointed in Rangoon for the speedy disposal of the long pending applications for Citizenship certificates. The following figures show the progress made in the disposal of the applications for Citizenship Certificates in Rangoon:—

<i>Cases instituted from 1-9-57 to 31-10-58.</i>	<i>Cases disposed of from 1-9-57 to 31-10-58.</i>	<i>Certificates issued.</i>	<i>Witnesses examined.</i>
2,135	1,515	326	1,515

<i>Cases instituted from 1-11-58 to 31-12-59.</i>	<i>Cases disposed of from 1-11-58 to 31-12-59.</i>	<i>Certificates issued.</i>	<i>Witnesses examined.</i>
6,823	3,454	934	12,903

IV. The Prison Department

There were 9 Central Jails, 19 District Jails, 6 Subsidiary Jails and a Borstal Institution under this department on November 1, 1958. A new Jail was opened at Cocos Island on January 24, 1959. This jail is termed a District Jail in the Hanthawaddy District with a special

sanction to accept prisoners with sentences of more than five years. The number of District Jails is therefore 20 at present.

The population of prisoners—undertrials, detenus, convicts and civil prisoners—on November 1, 1958 and on December 31, 1959 are shown below:—

	<i>Convicts.</i>	<i>Under-trials.</i>	<i>Detenus.</i>	<i>Civil prisoners.</i>
1-11-58 ...	6,055	3,162	557	3
31-12-59 ...	9,519	4,909	357	6

The number of different classes of prisoners who were received in the jails, and the number of those who were released on the expiry of their term of sentences or otherwise during the period are shown below:—

<i>Classification of prisoners.</i>	<i>Number received.</i>	<i>Number released.</i>
Convicts ...	23,361	13,512
Undertrials ...	29,736	21,777
Detenus ...	2,065	1,593
Civil prisoners ...	25	18

A study of the above figures indicates that the convict population rose from 6,055 to 9,519, while the undertrials rose from 3,162 to 4,109 during this period, in spite of the fact that 13,512 convicted prisoners and 21,777 undertrials were released during this period. The number of detenus fell from 557 to 357.

These figures eloquently indicate the intense activities of the law enforcing authorities towards the suppression of crime and the restoration of law and order, and the great efforts contributed by the courts for the speedy disposal of cases.

The effect of the above-mentioned activities and efforts on the prisons was the congestion of prisoners in certain jails such as Rangoon, Akyab, Mandalay, Pegu, Shwabo, Monywa, Yamethin and Kyauk-pyu. To relieve the congestion, some prisoners from these jails have been

removed to Tharrawaddy, Insein, Bassein, Myaungmya, Toungoo and some District Jails with the co-operation of the Police and the Army. A total of 3,138 prisoners have been thus removed during the period under report.

As the Pegu Jail was formerly a Police Lock-Up it can accommodate only 76 prisoners. Although convicted prisoners might be removed easily to the Rangoon and Insein Jails, the undertrials could not be so removed as it would be difficult for their daily production before the trial courts. The undertrials population of 210 on November 1, 1958 rose to 252 on December 31, 1959.

The Pegu Jail has a daily average undertrial population of more than 200 prisoners. The solution of the problem of congestion in this jail is therefore a difficult one. Some undertrials have therefore to be kept in some of the Police and Army Lock-Ups in the district, while the prison authorities attend to their food and other necessities.

It is therefore important that a new jail or an extension of the present building should be made to accommodate the daily average undertrial population of more than 200 prisoners of this district. Proposals for this measure are under the consideration of Government.

It has already been reported in the previous reports that one of the problems in the prison administration has been to find a way to deal with political prisoners, who generally instigated breach of prison discipline eventually by non-political prisoners. This problem has been met by classifying such political prisoners according to their political colours and diverting them to four separate selected prisons. This has been a success.

The congestion of undertrial population in the Rangoon Jail remained the same. The number on November 1, 1958 was 865

and it rose to 1,263 on December 31, 1959. The special problem regarding daily interviews and supply of outside food were regulated by strict enforcement of the rules.

Regular searches are maintained in all jails to halt the introduction of prohibited articles. Strikes and demands on unwarranted pretexts are dealt with by imposing severe punishments according to law. The result has been a great improvement in the internal discipline of the jails.

Cleanliness is excellently maintained, as the undertrials, detenus and "B" Class convicts have cooperated to clean their own wards and compounds.

The improvement of discipline among the prisoners enhanced the prestige of the staff. Morale and discipline amongst them accordingly improved. Although there were 30 assaults amongst the prisoners, there has been no assault against the prison staff.

With the improvement of discipline and good order inside the jails, the prison authorities were able to turn their attention to the improvement of prison industries. As anticipated the progress in jail industries could be seen from the following figures. They do not include the value of labour put in daily by about 100 prisoners for the construction of airstrips and roads during the period under report.

Period.	Value of articles manu- factured.	Labour.	Profit.
	K	K	K
1-11-57 to			
31-12-58	12,73,044.00	1,12,575.81	1,69,845.06
1-1-59 to			
31-12-59	17,17,586.26	1,49,296.59	2,16,135.12
Increase...	4,44,542.26	36,720.78	46,290.06

V. Elections Commission

In connection with the parliamentary general elections, unlike the last one of 1956, it was found that there had been a marked

increase in the size of the electorate in every constituency throughout Burma. Such an increase is due to the fact that the electoral rolls are prepared and checked on door to door basis, supplementary lists being made in respect of those eligible voters whose names have previously been left out.

There has also been a corresponding increase in the number of candidates standing for election in every constituency. In view of the increase in the number of candidates, timely arrangements had to be made to see that every constituency is supplied with a sufficient number of ballot boxes.

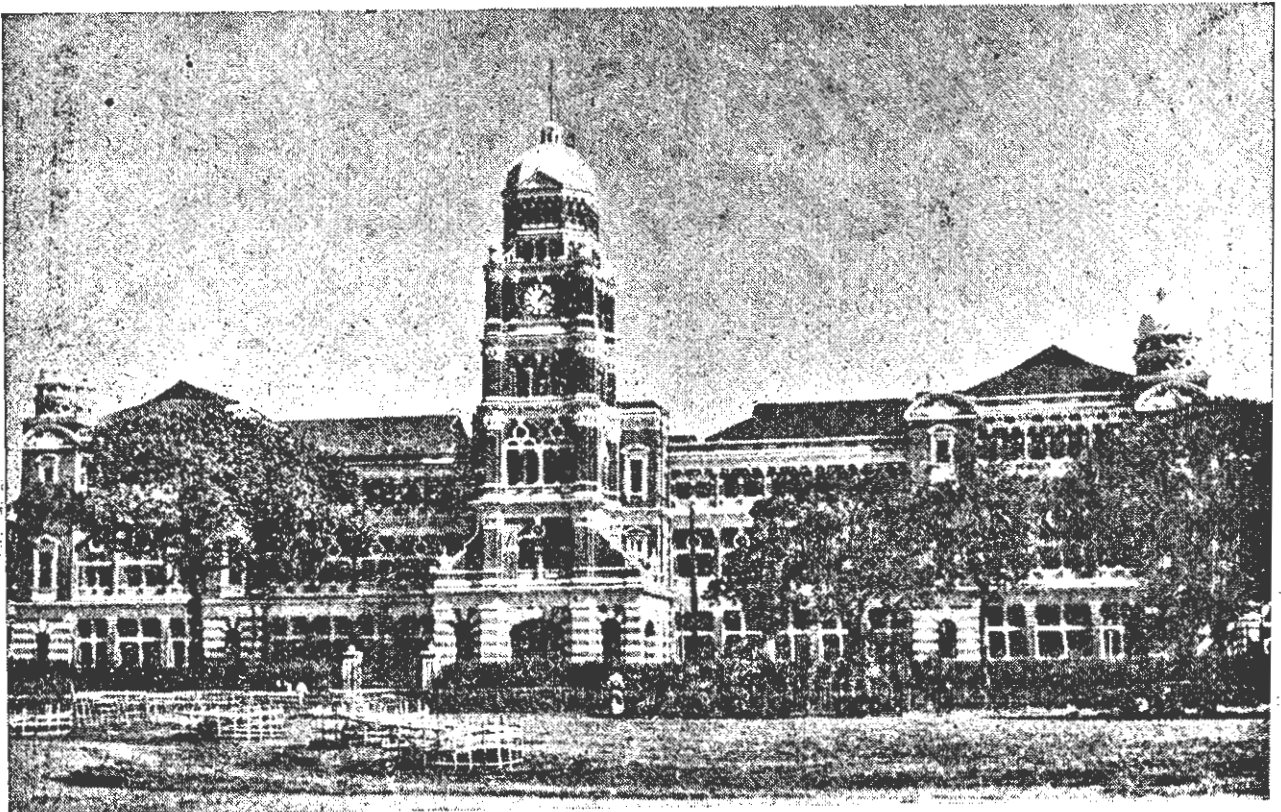
More polling-booths had also to be erected with a view to easing out congestion that generally takes place at such elections. Moreover, to ensure law and order which is pre-requisite to the holding of free and fair elections, over 20,000 Special Police

Reserve (including women constables) had to be recruited for the whole of Burma.

Every effort had been made in all respects to ensure a free and fair election and in all matters relating to the elections, political party-leaders were consulted where such consultation was thought necessary.

Out of 250 constituencies in the Chamber of Deputies free and fair elections have been successfully held in 229 constituencies. Election in 15 constituencies were postponed due to insurgent activities and in 5 constituencies elections had to be postponed pending court decision, and in 1 constituency the election had to be postponed on account of the death of one of the candidates.

Preparations are underway for the holding of elections for the 125 constituencies for the Chamber of Nationalities. Polling date has been fixed for February 29, 1960.



High Court Building



U Khin Maung Pyu, Minister

Ministry of Democratization of Local Administration and Local Bodies

Immediately after the attainment of Independence on January 4, 1948 the Union Government constituted The Administration Reorganization Committee with the following terms of reference:—

- (1) to prepare a plan for administration which will be efficient and in consonance with the new democratic Burma, and
- (2) to make proposals for the reorganization of the existing system with a view to achieving the plan with a minimum delay.

In accordance with the recommendations of this Committee the Democratic Local Government Act was passed by the Union Parliament in 1953. This Act provided for the setting up of elected District, Urban, Ward and Village Councils. For a start the Act was applied to ten districts in the Union.

General Ne Win's Government realized that in certain districts the elected members of these Councils were abusing their powers with impunity and, accordingly, superseded the Tharrawaddy, Prome and Insein District Councils and the Urban

Councils of Insein, Taikkyi, Mohnyo, Minhla, Gyobingauk and Tantabin.

Similarly, in areas to which the Democratic Local Government Act had not yet been applied it was found necessary to supersede nine Municipalities and one Town Committee. Elections to 38 Municipalities and three Town Committees were successfully held in December 1959.

During the tenure of General Ne Win's Government the following privately-owned markets were nationalized:—

- (a) The Rangoon-Kemmendine Sooratee Bazaar,
- (b) The Mandalay (Nyunt Baung Zay) Bazaar,
- (c) The Mandalay Waterfront Bazaar.

Profits from these bazaars now accrue to the Local Bodies in whose jurisdiction they are situated.

The glorious achievements of the Rangoon Municipal Corporation are subsequently recounted. On a smaller scale improvements were effected in other Local Bodies throughout the Union. General Ne Win's Government contributed over

K 2,27,000 to six Local Bodies to improve water supplies. K 7,00,000 was loaned to other Local Bodies to improve bazaars. Similarly, K 3,30,000 under Health, K 17,00,000 under Roads and K 10,00,000 under Miscellaneous were granted by the Government to various Local Bodies.

In accordance with the policy of nationalizing pawnshops, 16 new State Pawnshops

were established during the period under review at Daik-U, Pyuntaza, Nyaunglebin, Pyu, Toungoo, Sagaing, Katha, Yenangyaung, Magwe, Minbu, Wakema, Myaungmya, Kyaiklat, Bogale, Taikkyi and Hmawbi. Arrangements are being made to set up three state pawnshops in the new satellite towns of Okkalapa and Thaketa.

Corporation of Rangoon

The achievements of the Corporation of Rangoon and the sequence of events and projects that contributed to its distinctive record during the period December 1, 1958 to December 31, 1959 under the Government of Prime Minister General Ne Win are listed below:

I. Change in the Rangoon Municipal Corporation

Subsequent to the acceptance of office of General Ne Win's Government, the President of the Union dissolved the Corporation on December 1, 1958, and entrusted the task of administering the Corporation to Colonel Zeyya Kyaw Htin, Thiri Pyanchi, Sithu Tun Sein.

II. Implementation of the "Sweat Scheme"

The state of the Rangoon City before the advent of the Municipal Corporation of Bogyoke's Government was indeed deplorable. The new Corporation therefore set itself, within six months of taking over charge of the Municipal administration, to the task of improving the civic elegance of the city. This task, which consisted of a series of related measures, was carried out in two phases in collaboration with the citizens of Rangoon and the employees of the Corporation under the name of the "Sweat Scheme."

(a) *First phase.*—Included in this phase were the following measures:—

(1) Revitalization of the entire Municipal Corporation.

(2) Energetic execution of town-cleaning campaigns.

(3) Enforcement of civic discipline amongst the people after educating them in the virtues of civic responsibility.

(4) Construction and repair of drains.

(b) *Second phase.*—The second phase consisted of the following measures:—

(1) Removal of platform-stalls and other impediments to the public right of way on street-platforms.

(2) Removal of hutments.

(3) Repair of roads.

(4) Improvement of the water-supply system so as to secure sufficient supply of water.

(5) Repair of the sewerage system.

III. Implementation and Resumption of Measures

These measures, which in their totality constituted the "Sweat Scheme," were carried out in the first six months of the period under report, but in the second six months the Corporation devoted itself to the following measures which were carried out, not in the form of an *ad hoc* scheme, but in the normal way. These were divided

into two distinct categories, namely ordinary measures and principal measures.

(a) *Ordinary Measures*.—These consisted of the following:—

- (1) Continuation of the uncompleted measures of the "Sweat Scheme".
- (2) Repair of main streets and roads.
- (3) Construction and repair of drains.
- (4) Improvement of road-side platforms.
- (5) Planting and maintenance of flower trees.
- (6) Provision of amenities and welfare facilities for citizens.
- (7) Improvement of the discipline of Corporation employees and betterment of their welfare facilities.

(b) *Principal Measures*.—These consisted of the following:—

- (1) Improvement of the water-supply system to secure sufficiency of water for the city.
- (2) Repairs to and improvement of the sewerage system.
- (3) Installation of the necessary mechanical equipment in the Corporation.
- (4) Introduction of a new conservancy system.
- (5) Construction of recreational parks.
- (6) Evolution of new methods for streamlining the work of the Corporation.
- (7) Removal and transfer of hutments.
- (8) Construction of new buildings.

IV. Revitalization of the Corporation

This work, carried out in different stages as noted below, was based on the recognition that Rangoon could hardly attain that elegance and magnificence of a national capital as envisaged by the people unless the system of recruitment and promotion of Corporation personnel was sound and their morale high.

(a) *Enforcement of discipline*.—This was effected by—

(i) *Appointment of only competent men to posts in the Corporation*.—Corporation employees were divided into two classes, namely those who possessed the requisite qualifications, and those who were corrupt, inefficient, and unqualified. While the former class of employees were given promotions, the latter were removed and replaced by those who could and would really serve the interests of the citizens.

The new Corporation found that the system of recruitment followed by the previous Corporation was faulty, in that it was strongly biased by corruption, nepotism, and political considerations. The result under such a system was inevitably a serious deterioration of the morale of the Corporation personnel. And to the extent that Corporation employees were demoralized, to that extent the Corporation failed to carry out its legitimate functions in the service of the people of Rangoon.

The new Corporation accordingly constituted an Appointment Committee, whose duty it was to remove the previous system of recruitment and to replace it with one under which appointments to posts were made strictly according to merit and without being influenced in the least by corruption or favouritism. This Committee immediately got down to work and appointed men to posts purely on grounds of competency and merit. Its action had an instantaneous salutary effect upon demoralised Corporation employees, whose morale rose again and who began to observe and uphold discipline and to do their duties in earnest. As a result, the work of the entire Corporation showed a noticeable improvement. The employees also began to have a feeling of respect, not only to their own respective departmental Chiefs, but also to all departmental Chiefs of the Corporation.

(ii) *Relations between officers and men.*— It might be said that the relations between officers and men in the days of the previous Corporation had been confined to strictly narrow limits. Either in the performance of official work or in the performance of unofficial extramural work such as those connected with social welfare, they had not been much in the habit of co-operating with one another and rendering mutual aid. In other words, their practice had been to associate only with those near at hand. The habit of living and working in intimate relationship with all others had been virtually absent amongst them.

The new Corporation accordingly took measures to promote friendly relations between all employees of the Corporation. Excursions and tours were frequently arranged, and debates and extempore discussions frequently held. Officers brought their families to the various functions of the Corporation. By virtue of these measures, the relations between Corporation employees have greatly improved, and they now live and work as if they are members of one big family. It is indeed a gratifying phenomenon that their *esprit de corps* has grown stronger every day.

(b) *Efficiency-improvement of personnel.*— This is a measure needed in all departments of the Corporation. The practice, in these days of changing and advancing techniques, has been to secure efficiency-improvement of personnel through training classes and lecture-meetings, and this practice was accordingly adopted by the Corporation. The following training classes and lecture-meetings were held during the period under report:—

(i) *Training Classes*—

(a) The Burma Army Psychological Warfare Course.

- (b) The Burma Army Psychological Warfare Course for Instructors.
- (c) The Corporation Psychological Warfare Training Class.
- (d) The Clerks' Training Class.
- (e) The Matriculation Training Class.

(ii) *Lecture-meetings*—

Current Affairs.
 The National Ideology of the Union.
 The future programme of the Corporation.
 The internal security of the Union.
 Problems of administration.
 The northernmost frontier of the Union of Burma.
 The KMT aggression.
 The state of the insurrections in the Union.
 The Karen State.
 The History of Rangoon Corporation.
 The Union Ideology and Morale.
 General knowledge obtained in foreign lands.
 Organization for Social Service.
 Management in Municipal Social Service Administration.
 Social Service Administration and economic problems.



Citizens of Rangoon themselves take part enthusiastically in the cleaning up of the city's drainage system



Citizens help in removal of rubbish in various localities

(c) *Welfare facilities.*—For the benefit of clerks and labourers, who form the majority of the Corporation personnel, 5 staff shops were opened for the sale of essential consumer-supplies such as rice, oil, gram, etc., on credit terms. These employees can make credit purchases at these shops to the limit of the amount authorized by the Corporation on the basis of their respective salaries or wages. A textile and toilet-requisites shop was also opened on the ground-floor of the Corporation building in order to enable Corporation employees to buy their requirements of these goods at reasonably low prices.

(d) *Constitution of the Municipal Police.*—In the past, there was no centralized control over the Police Force of the Corporation. Members of the Force were distributed amongst the various departments of the Corporation, so that their powers and privileges varied from department to department. As a consequence, there was no *esprit de corps* amongst members of the Force as a whole. In such circumstances the people of Rangoon had absolutely no confidence in or respect for the Force. This unsatisfactory state of affairs was removed by the new Corporation through a systematic reorganization of the Force.

(i) *Training.*—First of all, the new Corporation placed all the 300 members of the Force, who so far had been spread out in different departments of the Corporation, under one Superintendent of Police and made them undergo a 6-weeks' training under the supervision of the Commissioner of Police, Rangoon. Three such training classes were held to train all the personnel of the Force.

(ii) *Change of Police Uniforms.*—As the primary function of the Corporation Police is to secure the observance of municipal laws by the public, it is absolutely necessary that the general appearance of a Corporation policeman should be such as would command public respect. The new Corporation accordingly changed the uniform of the Corporation Police to secure this effect. In addition, every member of the Corporation Police Force was required to carry a name-plate neatly attached to the shirt on the left breast.

Carrying of name-plate is beneficial both to the public and to the Corporation Police. Members of the Police Force can now know each other by name through the name-plate, and can thereby become more intimate with one another. Again, whenever a Corporation policeman commits



Defence Services personnel help in cleaning up city

an act of corruption, his name can easily be identified by the public from the name-plate. And this fact will always keep every member of the Corporation Police Force conscious of the need for safeguarding his own dignity and integrity.

(iii) *Purging of bad elements from the Corporation Police.*—After the above measures, namely provision of modern training classes, appropriate modification of police uniforms, etc., steps were taken to purge the Corporation Police of bad elements who constituted a menace to the good reputation of the Corporation. The inefficient and the corrupt amongst the Corporation Police were accordingly cashiered out of the Force.

(iv) *Activities of the Police under the Sweat Scheme.*—Apart from providing security to bazaars within Rangoon municipal limits, the Corporation Police took part in the execution of some of the measures under the Sweat Scheme. They suppressed encroachment-stalls on road-sides by arresting the stall-holders, and also prevented wastage of water by arresting people found bathing at public hydrants. The number of such cases of arrest during the period under report totalled 24,326.



Laying of pavement slabs by the Corporation

V. City Cleaning Campaign

(a) *Operation "Sweat Scheme".*—To secure a wholehearted participation of the entire citizenry in city-wide cleaning campaigns and in other similar civic measures, the new Corporation sounded a clarion call for service with the battle-cry "Let's clean the city with sweat," and launched Sunday cleaning campaigns under the name of "Operation Sweat". Over 100,000 citizens of Rangoon took an active part in a total of 25 such weekly campaigns during the first six months of the period under report.

No. of campaigns under the Operation "Sweat Scheme" ...	25
No. of Burma Army personnel who took part in the campaigns ...	25,000
No. of civilians (including staff-members of various Ministries) ...	100,000
Quantity of rubbish removed ...	11,154 tons.

By virtue of these Sunday cleaning campaigns, conducted with the co-operation of the Burma Army and the people of Rangoon, a spectacular improvement in the state of cleanliness of the city was achieved, and finally the condition was reached whereby rubbish or garbage became practically non-existent on main roads and roadsides.

The object of the weekly cleaning campaigns of the first six months was to inculcate in the citizens of Rangoon a sense of responsibility for the cleanliness of their city as well as for the cleanliness of their own house-compounds. This object was fully achieved, people became accustomed to habits of cleanliness, and Sunday cleaning campaigns were discontinued in the second six months of the period.

(b) *Distinctive achievements of the Corporation.*—Despite grave handicaps, such as shortage of equipment and motor-vehicles, the officers and men of the Corporation set themselves undaunted to the herculean task of city-cleaning. Working hard and round the clock, they have been able to produce highly gratifying results.

The following comparative statement shows the magnitude of their achievement:—

	Tonnage cleared in 1958.	Tonnage cleared in 1959.
Garbage ...	126,827	1,75,622
Average daily clearance ...	406	563
Average monthly clearance	10,569	14,635

(c) *Sewerage disposal*.—Since the end of the last World War, collection of night-soil in Rangoon had to be carried out during day-time on account of various difficulties, but on January 1, 1959, the pre-war practice of collection during night-time was reintroduced as an experimental measure in Rangoon West area. Many difficulties had to be encountered and surmounted, and finally the experiment proved a success. The practice of night-collection was accordingly extended to the Rangoon East area on March, 1959.

(d) *Public Health and Sanitation*—

(i) *Public Health*.—With the removal of hutments, citizens of Rangoon now breathe pure and fresh air, and this has had the effect of improving their health. The incidence of lung diseases has

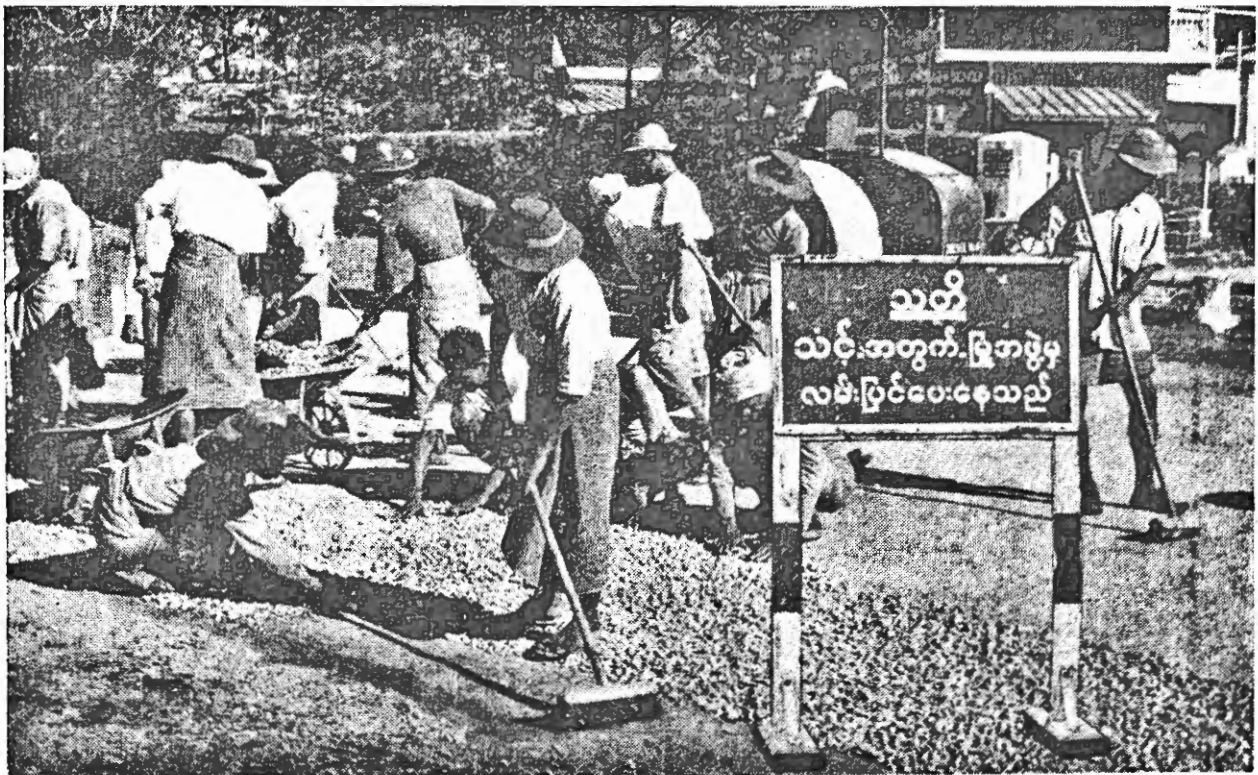
noticeably declined, and apart from a few cases of small-pox and diphtheria, there has been no epidemic diseases such as plague and cholera.

Energetic city-cleaning drives have also had a salutary effect upon the health of the people. This can be judged from the noticeable decrease in the number of deaths in 1959 as compared with 1958. The following table will prove this point:—

Number of deaths in 1958	...	15,572
Number of deaths in 1959	...	11,738
Difference	...	3,834

(ii) *Incidence of diseases*.—As small-pox was prevalent in neighbouring districts, Rangoon also caught the infection and during the year under report a total of 357 small-pox cases occurred with 93 deaths. The Corporation combated this epidemic by an extensive anti-small-pox vaccination campaign.

Altogether 123 cases with 6 deaths of diphtheria occurred during this period. In 1958, there were 461 cases with 14 deaths. This disease was also suppressed by a campaign of preventive inoculation.



Corporation of Rangoon in earnest work on repair of roads

Plague, cholera and other epidemic diseases were totally absent during the period under report.

Other measures taken by the Corporation for the improvement of public health included opening of 7 dispensaries in various wards of the city and insecticide-spraying of drains to eliminate mosquitoes bearing malaria and filaria germs.

The Corporation paid particular attention to the problem of filariasis prevention, and took special measures to prevent and suppress this dreaded disease. Details of the necessary measures were worked out by an *ad hoc* Filariasis Suppression Committee which consisted of representatives of the Corporation and of the relevant Government Departments as well as representatives of private bodies and organizations. For the purpose of detecting the presence of this disease, nocturnal house-to-house blood-tests of citizens, both young and old, were carried out, and in this work the Corporation was given valuable assistance by local Solidarity Associations. The blood taken from the citizens was sent for analysis to the Corporation laboratory and to 5 other laboratories of Government Departments. The following table indicates the work done in this connection:—

Number of persons blood-tested	...	7,244
Number of persons in whom filaria germs were detected	...	305
Percentage	...	4.2

(iii) *Opening of special latrines.*—For the benefit of the public, old latrines at Bogyoke Market and in Bandoolla Park, and those near the St. Paul's High School and near Theinbyu Road were repaired and turned into clean and sanitary latrines. In addition, new underground latrines were constructed on Sule Pagoda Road and Latha Street. All these latrines were made special paying latrines, and the

income earned by each of them is as follows:—

Latrine.	Opening Day.	Average daily income.	Total income.
		K	K
1. At Bogyoke Market (West) ...	18-12-59	85.84	14,936.50
2. At Sule Pagoda Rd. ...	31-3-59	70.69	12,474.00
3. At Bandoolla Park ...	8-5-59	15.19	2,642.90
4. At Latha Street ...	8-5-59	26.04	4,531.70
5. Near St. Paul's ...	18-2-59	5.52	960.60
6. Near Theinbyu ...	18-2-59	3.59	624.10
7. At Bogyoke Market (East) ...	21-10-59	28.55	913.50

VI. Educating the people and enforcing civic discipline

For more effective performance of its duties, the Corporation needs have a body of citizens well imbued with a sense of civic responsibility and behaving themselves accordingly. For this reason, citizens were first educated about the various functions of the Corporation, and then required, under pain of punishment, to observe the various municipal rules and regulations. Simultaneously, the citizens were treated to various forms of entertainment and diversion, and close contact between them and the Corporation was maintained through discussion-meetings, seminars, etc.

(a) *Educating the people.*—Several measures were taken to ensure that citizens were fully informed or enlightened about municipal laws. This included publication of translated extracts from the Rangoon Municipal Act and wide distribution of pamphlets and posters stressing the need for public co-operation with the Corporation. At the same time broadcasts from the BBS were made by Corporation Heads of Departments about the work of the Corporation. Similarly, lectures were given at various places in the city by the Corporation's mobile Publicity Squad. Slides conveying vital information about the Corporation were also flashed upon screens in cinema halls, and reading matter

containing instructions about municipal laws was put across to the people through the medium of the Press and the radio.

(b) *Public entertainment.*—For the entertainment of the citizens of Rangoon, the Corporation provided, in public parks, free Anyein Pwes, Burmese puppet-shows, military band performances, cinema shows, and concerts of the Union Academy of Music. Amongst the military bands that have given performances in public parks are the 13 US Navy Band and the American Naval Band.

(c) *Exhibitions and Shows*—

(i) *Municipal Exhibition.*—The Corporation held, during the period under report, a Municipal Exhibition for the purpose of acquainting the citizens of Rangoon with the various duties and functions of the Corporation. This Exhibition is the first of its kind in the history of Rangoon.

A Baby Show was also organized under the auspices of the Corporation Employees (Ladies) Welfare Association. The object of this Show was to give due recognition to the family-life of Corporation officers and men, and also to pay compliments to their respective families.

In addition, the Corporation took part in the Science Exhibition, the Health Exhibition, the Kachin Exhibition, and in the Centenary Exhibition of Mandalay.

(ii) “*Kyun Thaya*” (*Happy Island*) *Exhibition.*—This Exhibition was held from March 27, 1959, to April 9, 1959, on the occasion of the 14th annual Burma Army Day. Its object was to encourage the citizens of Rangoon, who now have a clean and beautiful city to live in, to sharpen their creative faculties and to evolve new thoughts and new ideas about public service. It was also intended to foster in them an urge for greater service to the city and the motherland.

(d) *Religious Festivals*—

(i) *The Thingyan (water) Festivals.*—

A traditional festival of the Burmese people, this Festival needs to be conducted with the maximum of discipline and decorum. The Corporation therefore appointed an *ad hoc* Committee to supervise the Festival, and with the help of this committee, was able to celebrate it with great success. In fact, the *Thingyan* Festival of 1959 celebrated in Rangoon might be said to have set a good precedent to the people, in that it has brought out the true essence of the *Thingyan*. It has demonstrated that the ancient traditions of the *Thingyan* could be well observed without the expenditure of large sums of money.

Unlike those of former years, the Festival of 1959 was a model of innocent merriment and revelry. The licentious vulgarity and obscenity of former years were totally absent, and for this reason, brothers and sisters and mothers and sons could freely take part in, and enjoy the excitement of general water-throwing without the least feeling of embarrassment. The entire atmosphere was one of gaiety and merriment, songs and dances. The year's Festival has in fact redeemed the ancient traditions of the *Thingyan* which were on the verge of total disappearance.

(ii) *The Waso Festival.*—This Festival, which consists of offering of *Waso* Robes to Buddhist monks, had never been observed by the Corporation in the past. But for the first time it was observed in 1959.

As the Full Moon Day of *Waso* fell on July 19, 1959, which coincided with the 12th anniversary of the Martyrs' Day, the Corporation observed the two occasions together by offering meals to 49 Buddhist *Sayadaws* in the City Hall. On July 22, 1959, *Waso* Robes were offered to 10 Buddhist *Sayadaws* at a ceremony held in Ahpwa Khet's assembly-hall close to the western colonnade of the Great Shwedagon Pagoda.

(iii) *Homage to the Aged*.—As homage to the aged is for the Burmese people a cultural virtue, the Mayor of Rangoon keeps up the practice of paying homage annually to aged people in the city. The tenth of such annual ceremonies was held in the City Hall by the Mayor on the 1st Waning of *Thadingyut* (October 17, 1959). Deputy Premier and Religious Affairs Minister U Lun Baw himself opened the ceremony and delivered an address.

The 120 grand-pas and grand-mas to be revered by the Mayor and others at the ceremony were brought to the City Hall by leaders of local Solidarity Associations. As was usual on such occasions troupes of gay *Ozi* dances preceded these grand-pas and grand-mas on their journey to the City Hall. Each of these aged persons was offered articles of daily use as well as a cash sum of K 250 through leaders of the Solidarity Associations.

(iv) *The Kahtein Festival*.—This Festival was celebrated by the Corporation on quite an unprecedented scale in 1959. Various departments of the Corporation donated a total of 32 "Padaytha Trees." On the day of the Festival, namely November 14, 1959, over 3,000 happy employees of the Corporation marched in a procession, carrying these "Padaytha Trees" to the Payapyu monastery in Pazundaung where robes as well as the "Padaytha Trees" were all offered to 32 Buddhist *Sayadaws*.

(e) *Donations and gifts*.—As the Corporation Commissioner had to serve as the Mayor of Rangoon also, he had to accept donations in aid of worthy causes such as the relief and welfare of the people of Rangoon. He accepted, therefore, donations of the Asia Foundation for the opening of primary schools and dispensaries at the new satellite towns of Okkalapa and Thaketa. He also accepted the gift-blankets, towels, etc., presented by the Burma Red Cross Society, and distributed these gifts amongst needy people. In

addition, he made frequent appeals to the public for donations to some philanthropic institutions such as the Rama Krishna Mission Hospital, the Okkalapa Hospital, and the Burma Womens' Home.

(f) *Public Recreational Centres*.—All vacant plots of land in Rangoon being occupied by clusters of hutments during the period under report, the Corporation found that public parks, children's playgrounds, and public recreational camps where the people could take rest or just breath fresh unpolluted air, were specially necessary.

(i) *Parks and Children's Playgrounds*.—The Corporation accordingly built parks and children's playgrounds at the following places after they had been cleared of hutments:—

Mahamyaing Park.

At the site of the old Kungyan Bazaar at the junction of Phayre Street and Bogyoke Street.

At the site in 23rd Street between Maha Bandoola Street and Strand Road.

At the triangular site near the Police Court.

At the triangular site on U Wisara Road just near the entrance to the Prime Minister's House.

At the place by the side of Leikkan Park (Children's Playground).

At Kennedy Point of the Royal Lakes. At Myaing Island.

At the Fossil Gardens in the centre of the Corporation building.

Zeymyaing Park.

Five parks on five traffic-circuses.

(ii) *Rest Camps*.—The following rest camps were opened during the period under report:—

The camp near the Tank Cafe and bridge on Kennedy Point.

The Butterfly-shop in Bandoola Park. (As construction of the shop has been completed, this

camp will henceforth cease to be so. Arrangements are being made now to start operating the Butterfly-shop.)

The Myaing Zabu Shop near the Zoological Gardens.

The modern restaurant at Kyun Thaya.

VII. Repairing of drains

For keeping open drains in the city clean, two gangs of labour, each 40 strong, were maintained at each of the two major circles of Rangoon. Two other labour gangs were also maintained for dredging and clearing the big drains outside the town area. But in spite of these labour gangs the condition of the drains remained unsatisfactory, and therefore the Corporation took up, as part of the "Sweat Scheme," the work of dredging the Gawun canal in Kandawgale. For two months starting from January, Burma Army men and Government servants joined hands with Corporation workers in dredging out this canal. Vast accumulations of rubbish and refuse were removed and layers of mud and silt were scooped out of the canal.

The Aung Zayya canal in Ahlone was also thoroughly dredged by Corporation workers in February.

During the rainy season starting from May 1, 1959, all the drains in Rangoon East and Rangoon West were kept clean and cleared by a special labour force.

In addition to these measures, the Corporation also undertook general repairs and improvements to drains. For instance, stone-slab covers were provided to drains, and all obstructions to drains such as road-junctions, platforms, stone-steps of buildings, etc., were removed wherever necessary. Damaged bottoms of drains were repaired, and the concrete sides of the drains were raised wherever necessary in order to enable the installation of stone-slab covers.

The total length of drains thus repaired and improved was 12,232 feet.

VIII. Removal of stalls, bazaars, and other obstructions from street-platforms

(a) *Opening of more night bazaars.*—The previous Corporation had permitted registered dried-goods stalls and food-shops to operate on street-platforms on payment of what was known as the encroachment-tax. This practice was however found to be unsatisfactory from many points of view. It was, for instance, extremely difficult to maintain order and discipline amongst the myriad of stalls and shops. The practice was also prejudicial to public health and sanitation, while the shops and stalls concerned constituted a serious obstruction to the public right of way on platforms. At the same time, these shops and stalls caused great damage to platforms.

In view of these facts, the new Corporation opened the following night-bazaars and shifted out all platform-stalls and shops to these bazaars.

Night Bazaars.—

- (i) The central open-air night-bazaar.
- (ii) The Leikkan Park night-bazaar.
- (iii) The night-bazaar near the Tamwe Chinese cemetery.
- (iv) The night-bazaar near the Kemmedine railway station on Lower Kemmendine Road.
- (v) The night-bazaar at the junction of U Ohn Ghine Street and Mya-ya-gone Road.
- (vi) The night-bazaar near the Karen cemetery in Shan Road.
- (vii) The night-bazaar near the Yadanabon Cinema Hall on Prome Road.
- (viii) The night-bazaar opposite the Cushing High School in Ahlone.

These night-bazaars are beneficial not only to the stalls and shops concerned but also to the citizens in general. The Corporation was able to secure a handsome regular income from them, and the following figures will show the great improvement in Corporation revenue that followed the establishment of these night-bazaars:—

		K
1959	...	5,97,801'34
1958	...	4,46,062'13
Difference	...	<u>1,51,739'21</u>

In addition, the Corporation netted a total of K 2,73,390 by auctioning the stall-sites at the Central Open Air Bazaar during the year under report.

(b) *Demolition of small, roadside bazaars and transfer of the bazaar sellers into newly built bazaars.*—A feature of post-war Rangoon was the mushroom growth of small bazaars on roadsides, but such bazaars being totally unbecoming of a national capital like Rangoon, they were demolished, and the bazaar-sellers concerned were transferred to newly built municipal bazaars.

This act of systematically re-settling roadside bazaar-sellers in new municipal bazaars was followed up by a systematic collection of stall-rents from the bazaar-sellers concerned. The result was considerable increase in the income of the Corporation from these bazaars, as may be seen from the following figures:—

		K
1959	...	21,78,352'01
1958	...	11,88,185'63
Difference	...	<u>9,90,166'38</u>

IX. Improvements to big bazaars

(a) *Theingyizay Bazaar.*—This bazaar came under the control of the Corporation on January 15, 1959. Before that date, it was administered separately by the Theingyizay Administration Board, and

therefore it had a system of administration different from that of the Municipal Corporation. At the time of its transfer to the Corporation, this bazaar brought with it a tangled web of complicated problems concerning ownership of stalls. Disputes about purchase and sale of stalls, claims and counter-claims for these stalls, were many and varied.

In such circumstances, the first concern of the Corporation was to arrange for a just and equitable allocation of stalls in the bazaar to *bona fide* claimants. An *ad hoc* Committee was accordingly formed by the Corporation with this end in view.

The main job of this Committee is to make allocation of stalls to owners (other than illegal owners) on the basis of the principle that “only those who sell shall own the stall.” The underlying purpose of this principle is to allow genuine bazaar-sellers to continue earning their livelihood in the bazaar in peace.

When all the claims for stalls have been examined and decided in the light of this principle, the successful claimants will be required to register their stalls, and it is expected that the following income will be derived by the Corporation in this connection:—

		K
Charges for repair of stalls	...	2,71,473'04
Registration fees	...	3,40,376'60
Fees for change of name of stall-holder	...	48,557'10
Premium payments	...	2,19,327'19
Total	...	<u>8,79,733'93</u>

(b) *The Bogyoke Market.*—

(i) *Transforming the original market into a two-storey market.*—The second storey of the Bogyoke Market building facing Bogyoke Street was formerly used as a residential flat, but the residents have since been shifted out, and the storey has been used for housing high-grade department stores, medical stores, and beauty saloons for ladies. This change is of great

benefit not only to the public but also to ordinary, rule-of-thumb businessmen who can now look up to these department stores, etc., as models to aspire to.

The premium that the Corporation received from these stores, etc., amounted to K 36,180.

(ii) *New two-storey market building for shops displaying toilet goods and miscellaneous Burma products.*—On the west of Bogyoke Market a new two-storey market was constructed. The second storey has been used for housing toilet requisite shops, photo studios and offices for firms and companies. The entire ground floor has been used as a display centre for Burma products sponsored by the Department of Industries.

The effect of opening such a display centre for Burma products is not only to advertise to the world the progress of Burma's export trade and her industry but also to stimulate confidence in the future of her industry.

The premiums received for 28 rooms housing the display centre was K 3,40,000.

(c) *New Pazundaung Bazaar.*—The new Pazundaung bazaar building was constructed and supervised by the Bazaar Construction and Management Board composed of representatives from the Government, National Housing Board and Rangoon Municipal Corporation. It is now proposed to allocate stalls at the new bazaar to those who were previously stall-holders of the old Pazundaung Bazaar. Allocations will be made at a premium so as to cover some portion of the expense incurred.

(d) *New Bogale Bazaar.*—This new bazaar building was constructed by the National Housing Board and was transferred to the Rangoon Municipal Corporation. Allocations of veranda stalls had been made by public auction. The rest of the stalls are to be also allocated by public auction.

Arrangements are now being made to allocate its stalls to the previous stall-holders of the old Goodliffe bazaar on payment of premiums.

(e) *Chicken Market.*—Formerly, there was no place specifically provided for selling live chicken. They were sold at the bazaars. The presence of live chicken in bamboo baskets in the bazaars and their nauseating smell caused inconvenience to the shopping public. Now a new chicken market complete with permanent clean cages for live chicken had been built and in future only dead chicken properly cleaned will be allowed to be sold in the bazaars. Those who want live chicken can conveniently buy them at the new chicken market.

(f) *Other Bazaars.*—

(i) *Shan Road Bazaar.*—A new bazaar building had been constructed at Shan Road and its stalls had been duly allocated.

(ii) *Kemmendine Strand Bazaar.*—The construction of this new bazaar building is almost completed and in the near future allocation of its stalls will be made.

(iii) *Bahan Bazaar.*—A new bazaar building had been constructed and allocation of its stalls has been duly made.

(iv) *Other Bazaars.*—Construction of fencings necessary for all municipal bazaars is still in progress.

X. New Measures

(a) *New Conservancy Measures.*—The prevailing latrines with buckets was found to be out of date and detrimental to public health and welfare of the city. It also frequently caused hardships to the Corporation authorities. With a view to surmount such hardships a board consisting of Corporation officers was formed to promote construction of latrines with septic tanks which will replace those with buckets. Under the supervision of this board contractors are now installing latrines with septic tanks in the Sanchaung area.

(b) *Paradise*.—In the city there is practically no recreational place for the public save cinema houses. An amusement park which will be known as “Paradise” is now under construction at Myin-si-kyun, Royal Lakes. It is expected that the income received from “Paradise” will enhance the Corporation’s finances.

(c) *Living Quarters for Municipal Employees*.—With a view to raising the standard of living amongst the municipal employees the following living quarters for them have been constructed.

* Permanent structures	...	12
* Temporary structures	...	4
* These structures will accommodate 420 families.		

Schemes based upon the financial position of the Corporation are now introduced to build houses for municipal officers and clerical staff.

XI. Removal of hutments

No sooner were arrangements for the improvement of the city administration made, then the Municipal Corporation of Rangoon came face to face with a greater responsibility to solve the hutments problem. For the last ten years the city existed in filth and squalor crowded with slum settlements. The living condition of the people in the city was at its lowest ebb. A scheme to move these hutments and encroachments from the city to new suitable suburban areas was introduced:

(a) *Number of hutments earmarked for removal*.—The estimated number of hutment dwellers in the heart of the city was 3 lakhs. By their combined efforts the National Housing Board, Public Works Department (Canals) and Defence Forces had within a short time built and founded Okkalapa and Thaketa new towns complete with adequate amenities.

(b) *Number of hutments already moved*.—Within 4 months (from January 1, 1959 to May 14, 1959) the following number

of hutments had been shifted to Okkalapa (South), Okkalapa (North) and Thaketa new towns.

Hutments	...	82,36
Persons	...	164,301

(c) *Registration*.—A vital key-point in the removal of these hutments was registration of persons who were to be moved and resettled in the new towns. During the last rainy season registration of such persons was continued. By the end of the season the following had been registered.

Number registered	...	16,980
Number of families	...	21,628
Number of persons	...	233,650

XII. Education Department

Annually, the Corporation had been drawing the government allowance of Kyats 39 lakhs for its education funds. Too much work was unnecessarily involved in the procedure of drawing such allowance. In order to curtail the task of obtaining such annual allowance the government had deemed fit to consider that the education department of the Corporation should be taken over by the Ministry of Education. On October 1, 1959 the education department was transferred and taken over by the Ministry of Education.

XIII. Construction and Repair of Roads

(a) *Canal Street—Extension and construction of concrete surface*.—The entire portion of Canal Street between 13th Street and 19th Street was broadened and its layer of tar was removed and replaced with concrete surface, thus connecting the other portion of the street which was previously surfaced with concrete. Four hundred workmen worked round the clock on this job which was completed within two weeks.

Length of Street	...	1,300 Feet
Estimated cost	...	K 4,00 000



The ugly squatter's settlement in Obo, Pazundaung, is converted into a pleasant park for the benefit of all the inhabitants of the area

(b) *Resurfacing of Streets.*—(i) The most highly used Lower Kemmendine Road was entirely resurfaced from the point where Innes Road meets it.

Length of Road	...	7,800 feet
Estimated cost	...	K 4,32,900

(ii) Both east and west sides of Sule Pagoda Road were resurfaced.

Rangoon East

Area of Street ... 276,668 square feet

Rangoon West

Area of Street ... 312,220 square feet

(c) *Sule Roundabout.*—With a view to ease the heaviest and congested traffic in the heart of the city, demolition of Sule Roundabout at the crossing of Sule Pagoda Road and Bogyoke Street was commenced on December 21, 1959. Eighty Corporation workmen completed the job on December 25, 1959. The crossing was levelled and resurfaced with asphalt and the entire job was done within 9 days by these eighty persons.

(d) *Armenian Cemetery at Sule Pagoda Road.*—The Armenian cemetery at Sule Pagoda Road was an ugly spot in the centre of the city and it was moved to another suitable place. A connecting traffic lane was constructed in its place and besides it the remaining portion would be used for the benefit of the public.

(e) *Repair of Streets.*—Plans are now underway to repair all the streets in the city with the assistance of other government departments which will provide necessary machineries and equipment.

The following main roads are to be reconstructed into asphalt-concrete roads:—

Bogyoke Street.
Anawrahta Street.
Maha Bandoola Street.

Merchant Street.
Strand Road.
Sule Pagoda Road.

XIV. Water Supply

In order to avoid wastage of water supplied from Gyobu, Hlawga Reservoirs and artesian wells a special system was introduced so that the rate paying population of the city would be provided with sufficient water supply. Measures to deter wasteful use of water in the city are now being carried out by the Corporation authorities:

(a) *I.C.A. Schemes.*—Under the I.C.A. schemes material and equipment are to be purchased and measures are to be taken for extension of water pipes and substitution of sewer system with new sewer pipes. The expenses were to be borne by I.C.A. loans. Price quotations from various foreign firms had already been received. Although the Corporation operation of the scheme was temporarily stopped since all I.C.A. schemes were the direct responsibilities of the National Housing Board and the latter was requested by the government to stop further operation of I.C.A. schemes.

With a view to prevent unnecessary wasteful use of water 40 bathing tanks had been constructed in the suburbs of Rangoon replacing public water-taps.

(b) *Increase in Water Supply.*—In order to obtain sufficient water, the Rural Cleanliness and Water Supply Board had undertaken to sink 20 artesian tube wells in Rangoon. Already 16 artesian tube wells had been sunk. Arrangements have been made to finish the work of sinking the remaining 4 wells within a few days.

At present 12 compressor pumps brought from United Kingdom and U.S.A. had been installed at these artesian tube wells. It is expected that the remaining pumps will be installed very soon.

Although plans were underway to install electric water pumps at Gyobyu water works, I.C.A. loans to cover such expenses are not forthcoming since the schemes under I.C.A. had been temporarily stopped at the instance of the government. Thus, the Corporation is unable to carry out its present plans.

(d) *Gyobyu Pipe line*.—Formerly, due to insurgents' activity the Corporation was unable to carry out the proper maintenance and repair of its 56-inch water pipe line connecting Gyobyu Reservoir and Rangoon. At present, however, with the progress of the country's security situation the pipe line is under constant and regular maintenance and supervision. Since it suffered no damage due to insurgents' activity regular water supply to the city could be maintained.

1958	
<i>Number of times pipe-line was damaged</i>	<i>Number of days water supply was stopped.</i>
(22-2-58)—1	3 days
(12-4-58)—1	3 days
1959	
<i>Nil.</i>	<i>Nil.</i>

XV. Installation of Underground Sewer System

The present sewer pipes in the city were more than 60 years old. They frequently choked and burst due to insufficiency of water to wash them down. Now these unserviceable pipes had been replaced with new sewer-pipes of various sizes *viz.* 160 feet of 9-inch pipes, 36 feet of 6-inch pipes and 12 feet of 7-inch pipes.

The present Central Air Compressor station supplying compressed air to all ejector stations was built about 60 years ago. It was not easy to obtain necessary spare parts. Since it is impossible to maintain its maximum power normal pressure cannot be

obtained. The result is that frequent overflow of sewer pipes occurs. Plans to install two new electric compressors are now being laid in order to overcome such difficulties.

XVI. Prevention of Fire

Formerly, due to the existence in the city of congested slum settlements and hutments built with high combustible materials the people of Rangoon were confronted with the danger of fire accidents every year. Loss and damage due to fire accidents to the amount involving lakhs of kyats had been incurred by the public.

Unauthorized hutments encroaching on the municipal areas had been systematically removed and resettled at new suburban towns of Okkalapa and Thaketa. Now, the absence of hutments with combustible materials created a situation entirely free from the danger of fire.

		K
1958—Loss due to fire	...	60,48,127
1959—Do.	...	4,29,259
Difference	...	<u>56,18,868</u>

XVII. Finance

It is now possible to declare that the financial position of the Corporation is sound and that it can stand on its own feet independent of any assistance from any other department.

Calculating on the fact that enormous sums of money had been used on the rehabilitation of the city administration, it was feared that the Corporation's funds would deteriorate. However, measures to stop wasting expenditures and programmes to promote collection of municipal funds by introducing public auction and premium system help to create a healthy financial position of the Corporation.

Ministry of Immigration and National Registration



U Khin Maung Pyu, Minister

There are two major departments under the Ministry of Immigration and National Registration. They are the following:

- 1. Department of Immigration.*
- 2. Department of National Registration.*

The Government of the Union of Burma in order to have effective control over foreigners and to safeguard the security, peace and the interests of the peoples in the Union had on June 1, 1957 specially created the Ministry of Immigration and National Registration and delegated to it the duties and functions of controlling and regulating the entry and stay of foreigners, of regulating the entry and stay of foreign missionaries, of administering the provisions of the Immoveable Property Restriction Act and the National Registration Act and the question of granting Union Citizenship to foreigners.

With the gaining of Independence by the Union of Burma on January 4, 1948, the question of granting citizenship to those foreigners who were so qualified arose, with the result that the Union Citizenship (Election) Act and the Union Citizenship Act were enacted. Those

functions were primarily carried out by the Ministry of Judicial Affairs till April 31, 1957, when this Ministry was created and took over these duties.

In view of the fact that applications for citizenship certificates were many and the staff to cope with such applications few, much could not be accomplished, however great it was desired to do so, with the result that from January 4, 1948, till April 30, 1957, a total of 8,496 Certificates only could be issued.

However, with the creation of this Ministry and the transfer thereto of the subject of "Citizenship" from the Ministry of Judicial Affairs, an overall appraisal of the situation was made and it showed that a large number of cases were pending in the District Courts.

Steps were accordingly taken to create additional posts of Special Additional Magistrates, with the required staff to

cope with the work. Similarly, an increase in the officer and clerical staff of this Ministry was also made, with the result that from the period June 1, 1957, to October 31, 1958, a period of 17 months, a total of 5,660 Citizenship Certificates were issued.

Although a greater number of Certificates were issued, on the assumption of the present Government, headed by General Ne Win, it was deemed necessary to expedite still further, the issue of Citizenship Certificates, and consequently, to advise this Ministry on citizenship matters, the Director-General of the National Registration Department, Col. *Sithu Chit Myaing*, was, in addition to his duties as Director-General, National Registration, appointed Inspector-General in the Ministry of Immigration and National Registration.

Furthermore, additional staff being obtained, during the period of tenure of the present Government, *i.e.*, from November 1, 1958, to February 6, 1959, a period of 15 months, the number of Citizenship Certificates issued totalled 7,277.

If a comparison is drawn of the Citizenship Certificates issued during the period prior to the formation of the present Government and after such formation, it will be observed that an increase of over 150 a month was obtained.

To expedite still further the issue of Citizenship Certificates, steps have been taken to create more posts of Special Additional District Magistrates, with the necessary staff, and it is expected that these will bear fruit in the not too distant future.

I. Immigration Department

To provide an objective picture of some of the activities and achievements of the Immigration Department over a period of 15 months, beginning from November 1, 1958 to February 6, 1960, it may be

appropriate to provide a general historical background of the Department, as a prelude.

With the outbreak of the Second World War, the functions of the Immigration Department came to a standstill and it was not until 1946 that the functions of the Department could be resuscitated with a handful of staff.

The promulgation of the Burma Immigration (Emergency Provisions) Act, on June 14, 1947, gave an opportunity to set up what may be called the nucleus of the Immigration Department as it is seen today.

June 1957 saw the emergence of a new, and much needed, Ministry of Immigration and National Registration, bringing the Immigration Department under its direct administrative control from the Foreign Office, and the allied nature of the functions previously carried out by the Foreigners Registration Department, hitherto manned by the Police, necessitated a merger, by the end of December 1957, of the two inter-related departments, as a vital adjunct to each other.

To present an up-to-date picture of the operations of the Department, it seems desirable that this review be split into two parts: the first dealing with the activities of the Department prior to the taking over of the administration of the country by the present Government, *i.e.*, covering the period from September 1, of 1957 to October 31, 1958, and the second with the functions of the Department since November 1, 1958 until December 31, 1959.

A glance at the Tables set out below showing—

- (1) the number of foreigners who were subjected to surprise checks,
- (2) the number of foreigners against whom action was taken under the Burma Immigration (Emergency Provisions) Act,

(3) the number of foreigners against whom action was taken under the Foreigners Registration Act and

(4) the amount of revenue collected from the operation of the Burma Immigration and the Foreigners Registration Act,

will suffice to show the unprecedented results achieved by the Department.

TABLE I

Showing the number of foreigners who were subjected to surprise checks.

<i>Period.</i>	<i>Number of foreigners checked.</i>
September 1957 to October 1958 ...	73,463
November 1958 to December 1959	130,933

TABLE II

Showing the number of foreigners against whom action was taken under the Burma Immigration Act.

<i>Period.</i>	<i>Under Section 13 (1) of the Burma Imm. Act.</i>	<i>Under Section 7 (1) and (2).</i>
September 1957 to October 1958 ...	3,284	1,275
November 1958 to December 1959 ...	5,405	2,661

TABLE III

Showing the number of foreigners against whom action was taken under Foreigners Registration Act.

<i>Period.</i>	<i>Under Section 5 (1) of the F.R. Act.</i>	<i>Under Section 5 (2) of the F.R. Act.</i>
September 1957 to October 1958 ...	29,763	409
November 1958 to December 1959 ...	41,699	234

TABLE IV

Departmental Revenue

<i>Period</i>	<i>Amount accrued under the Burma Immigration Act</i>	<i>Amount accrued under the Foreigners Registration Act</i>	<i>Total amount realized under the two Acts</i>
	<i>K</i>	<i>K</i>	<i>K</i>
September 1957 to October 1958	29,55,787	1,38,45,620	1,68,01,407
November 1958 to December 1959	31,20,836	1,74,91,393	2,06,12,229

In spite of the fact that the Union of Burma is barricaded naturally by rivers and mountains, which virtually present an impediment to foreigners illegally entering the country, these difficult barriers do not entirely stop the influx of foreigners who are determined to infiltrate into the country, where they can find better opportunities for living.

To effectively counter the flow into the country of these illegal immigrants, the Department has:

- (1) set up 45 outposts along the frontier in strategic positions,
- (2) 22 Slow Squads whose duties include patrolling of the outer perimeter,
- (3) 13 Flying Squads and,

(4) 30 Intelligence Squads stationed in Rangoon, Mandalay and Akyab, to guard the inner perimeter—thus forming four lines of defence.

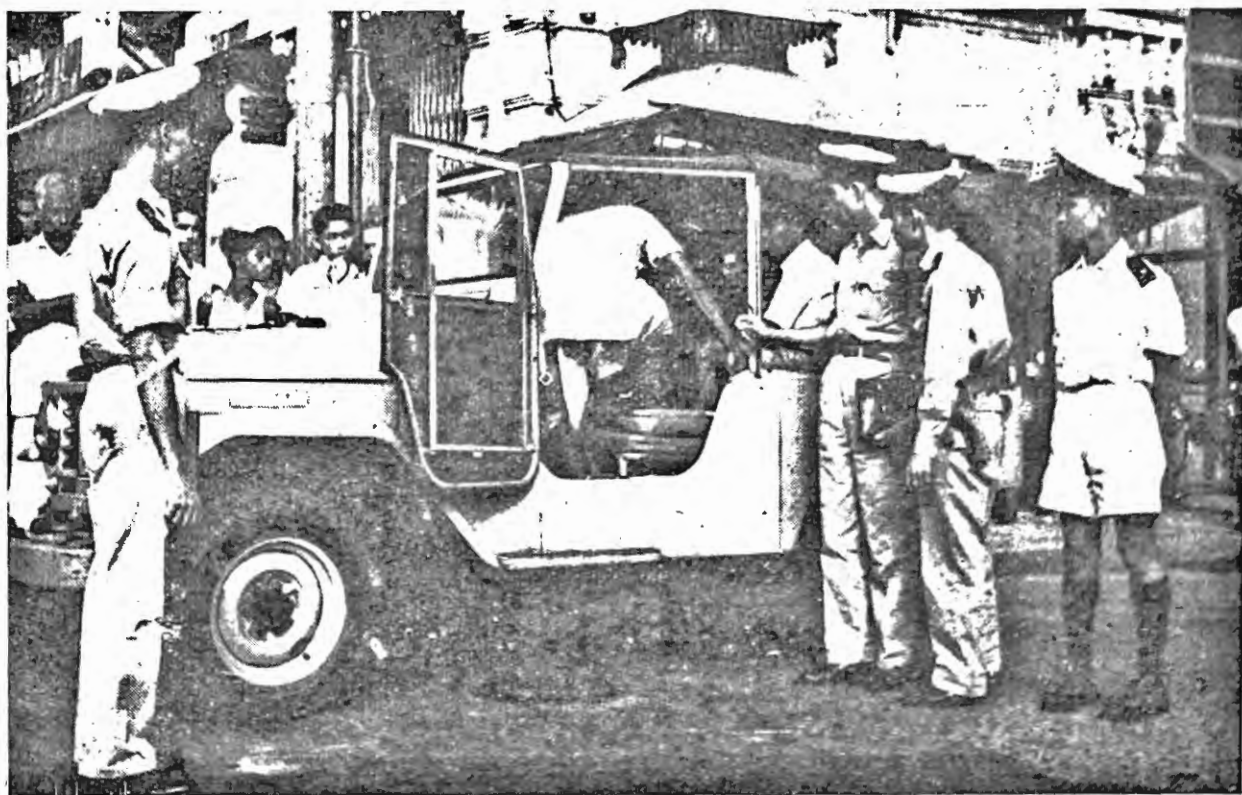
The increase in the number of cases which the Immigration Department had been able to bring to book is proof of the effectiveness of the measures adopted by the Department to combat illegal entry into the Union.

The success of the Department in the direction of improvising means and the eventual adoption of measures as a check against the undesirable inflow of illegal immigrants, as also the control of foreigners who have already gained entry into the country by illegal methods or those who remained in the country without authority beyond restricted periods, has been due to the sustained, and concerted efforts of this Department with the unstinted co-operation of various other Departments of the Government, such as the Defence Services, the Police, etc.

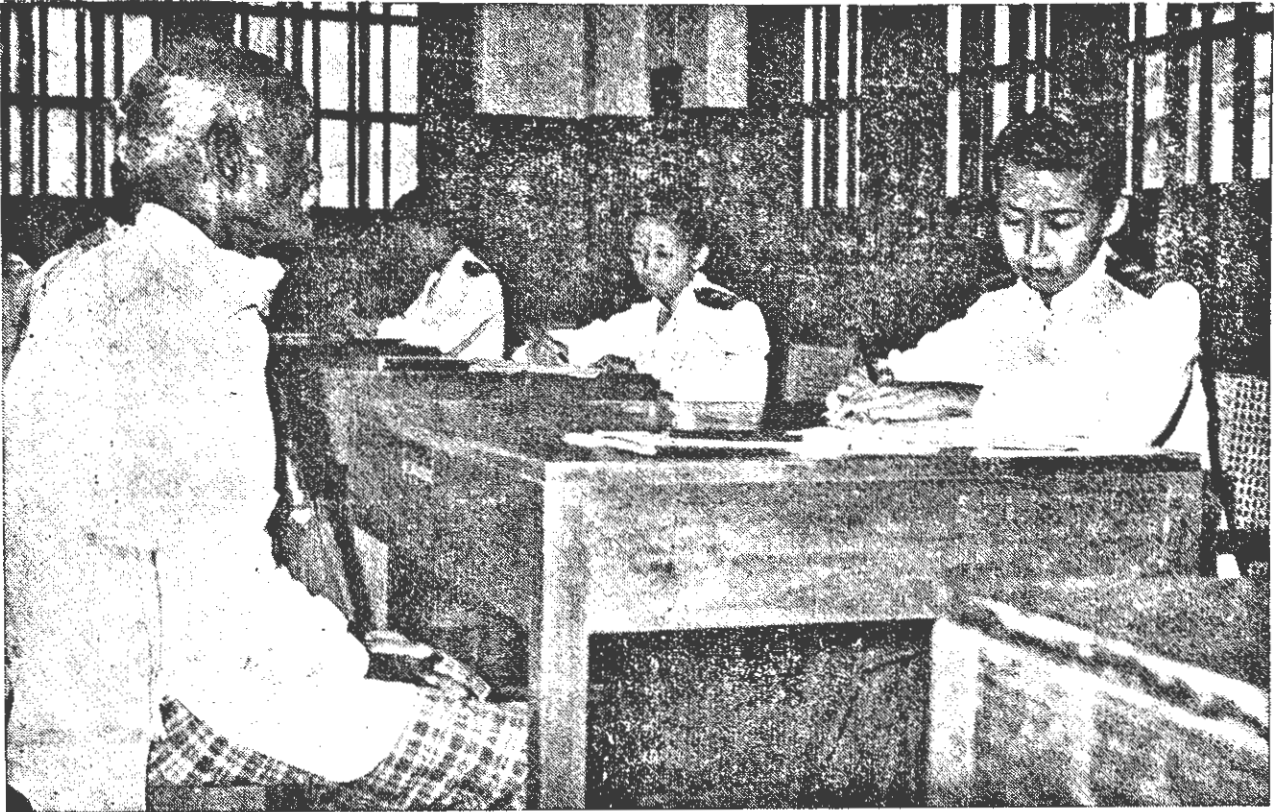
(A) TOURIST TRADE

In pursuance of a recent decision by the Government to encourage and promote tourist trade in this country, this Department has, after careful consideration introduced suitable measures to make the entry of tourists into the Union less irksome, *viz.*—

- (1) no *visas* are required of transit passengers travelling by air within 24 hours of stop-over at the airport, if they possess confirmed onward bookings.
- (2) Tourist *visas* good for a stay of 30 days in Burma can be obtained on application from any of the Burmese Missions abroad.
- (3) The need to take out Exit Permits (Form "D") is waived in respect of tourists who do not remain in the Union for more than 30 days from the date of arrival.



Immigration personnel round up foreigners failing to comply with the Immigration rules



Assistant Immigration Officers screen residential status of foreigners applying for re-entry visas

As a result of these arrangements, tourists will now be able to travel more freely in Burma—a country rich in culture and places of historical and scenic interest and beauty. The benefits that would come to the country by fostering tourist trade need scarcely be emphasised.

With the improvement of the security conditions in the country, the arm of Immigration administration can now reach out to almost all parts of the country—thus ensuring a better control over foreigners.

To meet any emergency in the performance of the official duties in difficult terrain and out-of-the-way places along the Frontier Areas, the staff of the Department are equipped with small arms and are given psychological and small arms training under the supervision of the Army and Union Constabulary personnel.

The fact that the very nature of work devolved upon the staff of the Immigration

Department continually entails much personal hardship, and frequently exposes them to danger, does not in the least deter them from discharging their duties diligently and the increasing interest in and better quality of work shown by the staff must have been inspired by the high “norms” set by the present Government.

II. National Registration Department

The National Registration Act was approved and passed by Parliament in 1949 and the Rules were enacted during 1951. It was first established as a Department under the Ministry of Home Affairs in the year 1951, and work was started.

The following are the fundamental aims and objects of National Registration:

- (a) To ensure security within the Union of Burma;



Immigration staff, with aid of army personnel, travel into insurgent-infested areas to check on defaulting foreigners

- (b) To compile a National Register of every person residing within the Union of Burma;
- (c) To assist other Government departments wherever and whenever necessary as far as possible.

As a sovereign state, the Union requires to maintain a National Register which shall supply data relating to population, according to age, sex, trades, marital relations, race and religion, for the purpose of compiling necessary statistics.

The register can be utilized as a legal document in giving evidence in any Law Court regarding age, father's name, etc. The security departments can easily refer to it, with unqualified success, for the identification of bad hats or suspected criminals, for it contains addresses, names of parents, identification marks, finger-

prints, registration numbers and photographs of persons concerned. It shall also be a great aid to the rationing system.

Particularly, in compiling voters' list, with reference to the National Register, completeness will be the practical achievement. Only then, the adult suffrage, with all the implications, shall have its full meaning.

Specific age-groups, both of males and females, for the much needed national service can be supplied from the National Register whenever and wherever necessary.

When the National Registration is completely done, no body, either citizen or foreigner, will be left unregistered. Then a complete list of foreigners and Union nationals shall be available for the Census Department and the Foreigners Registration Department.

The task of the Immigration Department will be easier as regards foreigners. With no more opportunity for registration, and without Foreigners Registration Certificates, those who enter into the Union stealthily across its frontiers after the completion of the national registration work, can be easily detected and taken into law.

The Central Statistical Department may require some relevant data for the compilation of necessary statistics for National Planning. In this case, this Department may be in a position to comply with its request whenever solicited. No person who has attained the age of 18 will be left out of the voters' list after completion of the National Registration. Identity cards issued from this Department will be of immense value in time of voting in the municipal and Parliamentary elections. There can be no impersonation. Thereby, fair elections shall be a practical reality.

With the advent of the Bogyoke Government in 1958, was the dawn of a new era for the National Registration Department heralded. The new government has enunciated a policy compatible with the times and embodying following objectives:

- (a) To ensure security throughout the Union;
- (b) To combat inflation and its tendency;
- (c) To bring about fair and just elections.

The national registration work can play an important part and contribute much towards the successful prosecution of these policy objectives.

By means of national registration, opportunity shall be afforded to the government for the eradication of fifth columnist and insurgent activities. The first objective can thus be achieved without much ado.

With the population of the Union according to age, sex, trades, etc., and the statistics of the variety of mills and factories

in its hand, the Government will be in a position to know precisely the tendency of supply and demand and can make an adjustment in its economic policy accordingly, in order to bring down the prices of commodities in the interest of consumers. This is how the national registration work can assist the Government in the realization of the second objective.

With the completion of the national registration work the all comprehensive voters' list is ready at hand. It is up to the department concerned to copy the full list comprising the names of all people of the age of 18 and above.

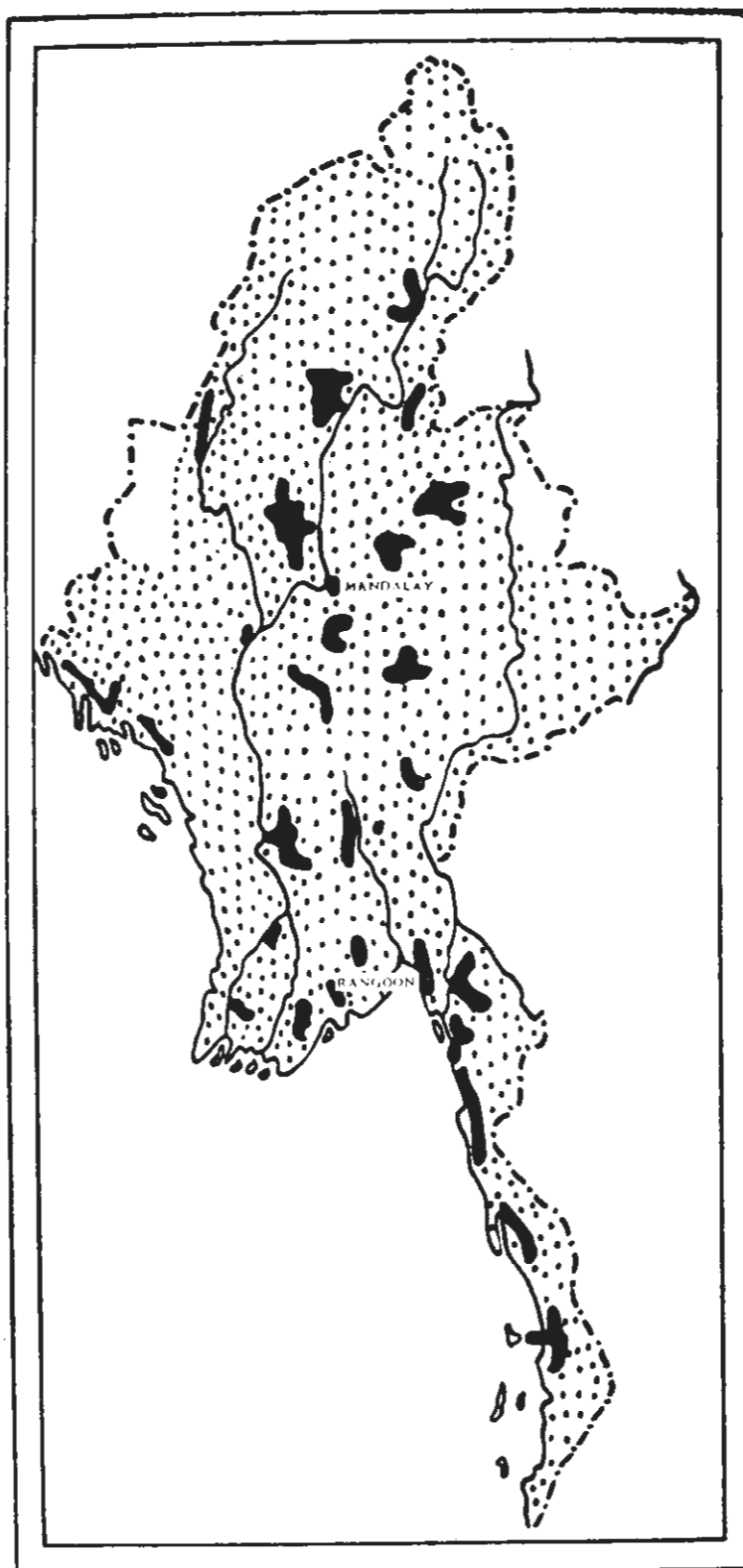
No person enjoying adult suffrage will be left out. On the date of voting every voter can be checked with his Identity Card which bears his photograph. Impersonation becomes an impossibility and "one voter one vote," shall be the order of the day. By this, the third objective shall be accomplished without any reservation.

The Bogyoke Government has realized the importance of the national registration, inasmuch as it has direct bearing on the transportation of its policy into the realm of practical reality. Having this in view, the department is assigned the task of bringing the national registration work to a successful conclusion within the Union of Burma during its short tenure of office.



Three Army officers, headed by Col. *Sithu Chit Myaing* were assigned, to take the initiative and facilitate the work of National Registration Department, since a central organization is not commensurate with the unwieldy bulk of the work the division of labour becomes a necessity.

In the nature of division of labour, Regional Security Councils, of which Army Officers are generally Chairmen, are sharing the responsibility of the work in their respective regions for its successful termination within the target date.

COMPARATIVE MAP SHOWING AREA REGISTERED
BEFORE & DURING BOGYOKE REGIME



REFERENCES

-  Area registered before Bogoyoke regime (1952—Oct 1958)
-  Area registered during Bogoyoke regime (Nov 1958—Jan. 1960)

COMPARATIVE CHART SHOWING POPULATION
REGISTERED & NO. OF IDENTITY CARDS
ISSUED BEFORE & DURING BOGYOKE REGIME

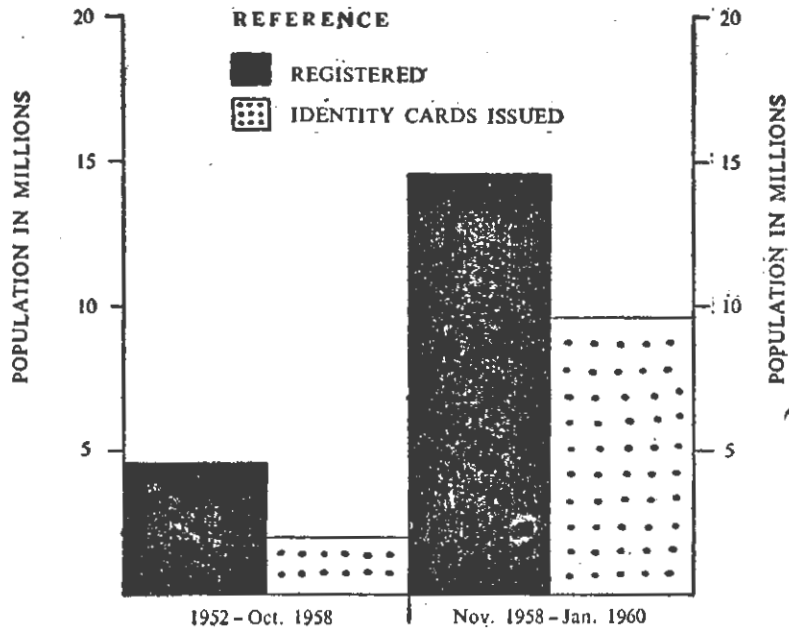
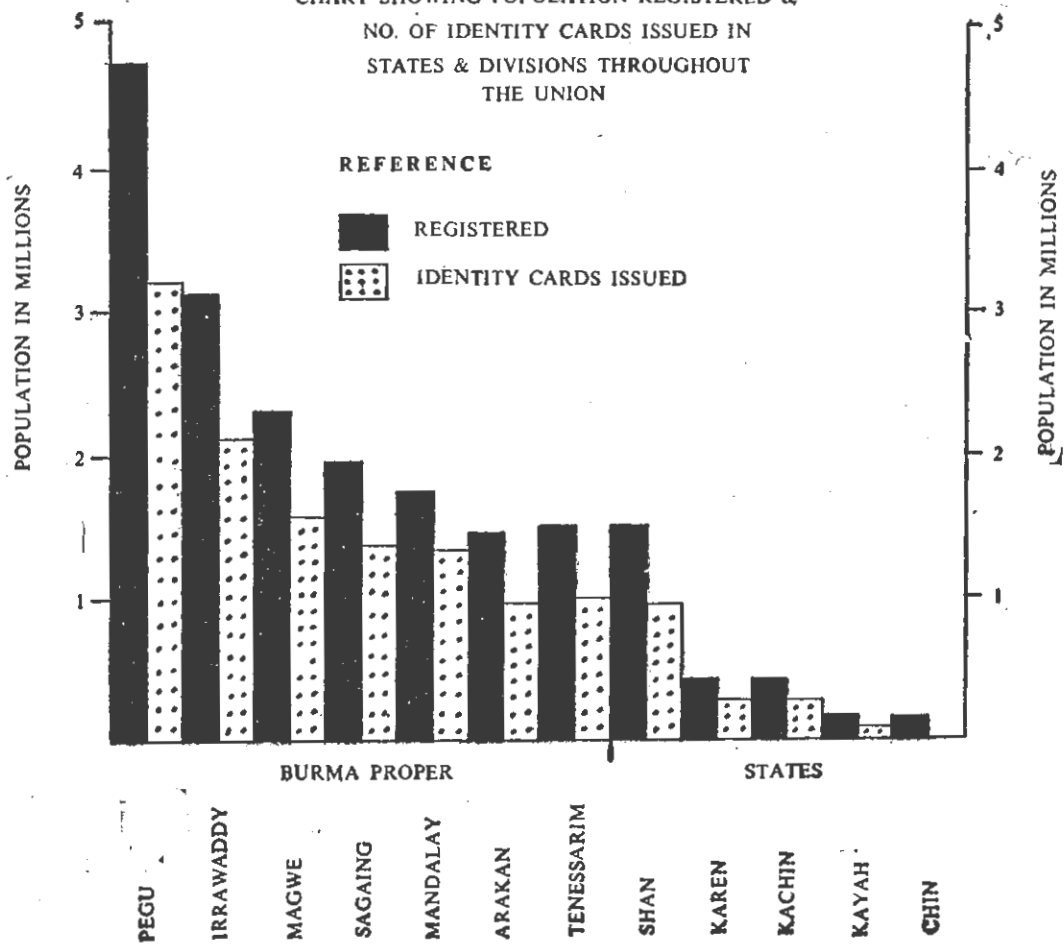


CHART SHOWING POPULATION REGISTERED &
NO. OF IDENTITY CARDS ISSUED IN
STATES & DIVISIONS THROUGHOUT
THE UNION



Availability of sufficient fund, manpower, millions of scheduled forms, office accommodations, photo-contractors and photographic accessories, furniture and stationery were the condition precedent to the successful start and conclusion of the work. Much time had therefore been consumed in the beginning in making preparations to obtain necessary prerequisites for the systematic and speedy execution of the national registration work.

It was only on March 18, 1959 that actual registration was started, Division by Division. During the period of preparation ways and means had been devised to explore new *modus operandi* for the systematic prosecution of the work and for training the officers and the clerks, both in theory and in practice, to enable them to carry out their duties under the new methods introduced.

In laying down a uniform method of execution, in principle, for adoption by every member of the National Registration teams, the work was conducted not only more methodically but also with rapid progress.

Under the policy laid down by the Government, the operation of the National Registration was being done, not in the selected spots scattered all over Burma as before, but in the specific area properly demarcated. As it was able to complete simultaneously in all the Districts within a Division, the security forces were in a position to take effective measures to stop and control the nefarious activities of both the aboveground and underground insurgents.

In operating Division by Division the work would be completed by October 1959 in Burma Proper and during the tenure of Bogyoke Government in the whole of the Union of Burma.

In order to ward off the danger that could arise from the clandestine entries into the Union of Burma from East Pakistan and Yunnan of the People's Democratic

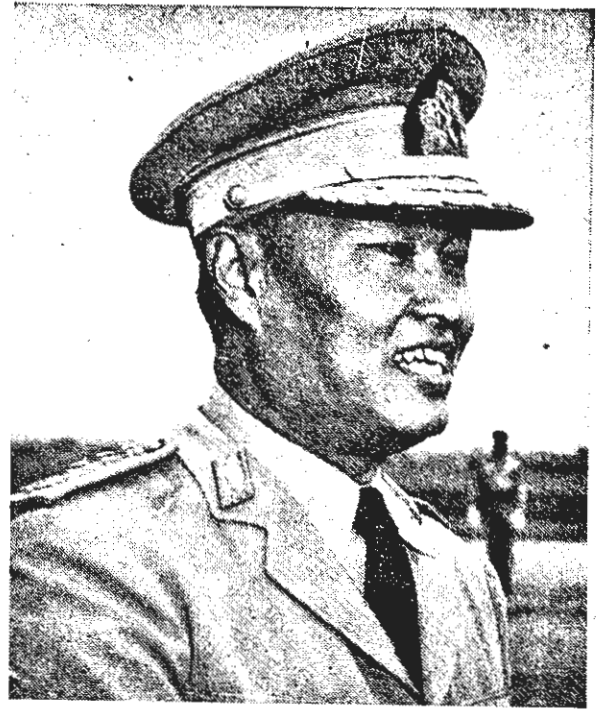
Republic of China, registration has been carried out and completed in the frontier Districts of Lashio, Kyaukse, Akyab and Bhamo with due priority.

The frontier authorities had requested the Department to register those hill tribes, such as Shan, Shan-tayoke, Kachin, Lishaw, etc., migrating from the other side of the Burmese boundary and seeking sanctuary in the territory of the Government of the Union of Burma. Accordingly in collaboration with the Army, Police, Immigration and Foreigners Registration Department of Lashio, Bhamo and Myitkyina Districts, a number of Registration Teams had been organized and sent out to register the refugees from China in Putao, Hpimaw, Sadon, Sama, Lweje, Pankham, Namkham, etc. The words "Temporary Refugee" has been printed on the Identity Cards issued to those refugees.

As completed registration forms could be kept in the particular Township, or the District or at headquarters, as the case may be, arrangements had been made whereby any Government department could easily scrutinize the history of every individual living in the Union. Also, arrangements were being made to microfilm records kept at headquarters, so that they could be safely and systematically preserved.

In the seven years that preceded (from 1952 to November 1958), the number of people registered was over 4,100,000 whereas during the Bogyoke regime, in the three months preparation period, i.e., from December 1958 to February 1959, over 1,300,000 people have been registered, and in the four months between mid-March and mid-July another 8,300,000 people have been registered. At the present rate, about two million people are being registered monthly, and it is a matter of gratification that so many people could successfully be registered in so short a period. Up to date 18 million have been registered.

Office of the Prime Minister



Prime Minister General Ne Win

The Office of the Prime Minister has the following three main functional divisions:

1. *Public Administration Division.*
2. *Burma Historical Commission.*
3. *Frontier Areas Administration.*

I. Public Administration Division

As far back as 1948, the year Burma attained Independence, a high-powered committee—later to be known as the Administration Reorganization Committee—was constituted to prepare a plan for an efficient administration “in consonance with the new democratic Burma and to make proposals for the reorganization of the existing system with a view to achieving the plan with minimum delay consistent with the continuity of administration”.

The Administration Reorganization Committee submitted to the Union Government in 1951 its Final Report recommending measures for which specific machinery was required to translate them into action. And, in 1955, the Public Administration Division was born.

Set before the Public Administration Division was the stupendous task of

over-hauling in piecemeal fashion so as not to bring it to a standstill, the old administrative machinery—a machinery made not of steel but of human beings, with rules and regulations for its nuts and bolts.

Functions formulated, therefore, for the division were: to review the machinery of Government as a whole and reorganize Government Departments where necessary; to cut down red-tape and promote efficiency by changing office procedures where required; to uplift and widen the outlook of Public Servants by setting up an Institute of Public Administration for dissemination of modern knowledge of Public Administration, and raise the level of efficiency by giving training in modern administrative techniques.

To cope successfully with these functions, the Public Administration Division has three wings, namely, Civil Service Wing,

Organization and Method Wing, and Training and Education Wing, with the Union Institute of Public Administration as the focal point for all these activities.

(A) UNION INSTITUTE OF PUBLIC ADMINISTRATION

If democracy as a system of government has but few instances in this modern world, it exists in the minds of many as an ideal. Whether it can be transformed into a reality will, however, depend upon a solution to the problem of educating the masses in the art of citizenship, in which the broader aspects and responsibilities of government are prominently included.

The existence of the Union Institute of Public Administration is part of the solution to this tremendous problem. Direly needed though its existence was, the Union Institute remained only on paper owing to inadequacy of staff and insufficient allotment of funds—until the advent of the present Administration. To the foresight and wisdom of the present Administration goes the credit for the fact that the Union Institute is today a reality.

At the instigation of the Government, the Institute with a skeleton staff of three clerks, three typists and two peons, held a qualifying examination in January 1959 for clerks in the Government employ throughout the country—clerks who had not passed High School Final Examination or School Leaving Examination. Again in following July, with its staff considerably strengthened, the Institute held the second and final Qualifying Examination.

In the first Qualifying Examination, 530 candidates passed out of the total 4,011 from the entire country. In the second Qualifying Examination, 4,321 clerks appeared, out of which 1,288 passed. The increase in the percentage of candidates passed in the second examination (29.5 per cent) over

that of the first examination (13 per cent), indicates the growing consciousness on the part of the Government clerical staff of the need to improve upon their qualifications.

With the adoption by the Government in 1959 of a new method of Confidential Staff Reporting—a feature of the scheme submitted by the Public Administration Division for a promotion system based on merit tempered by seniority, the Institute was assigned the task of introducing it into the Ministries and Departments.

In October 1959, the Institute published a pamphlet in English, titled "Aims and Activities" in which a thumbnail sketch of its objectives and activities was provided.

In accordance with its publications programme, the Institute also brought out in January 1960, its first issue of a "Public Administration Journal," a quarterly in the Burmese language. This publication aims at stimulating interest amongst the practising administrators and the general public in Public Administration.

The Institute has three main activities, Research, Training and Consultation Services. Research needless to say, is the key to the advancement of knowledge and techniques in many fields, including that of Public Administration.

Administrative principles and theories alone cannot give us an efficient administration consistent with the new democratic Burma. Nor could knowledge of facts alone. Facts must needs be systematically accumulated and enquiries both objectively and scientifically made if principles are to be put to practical use for the job at hand.

The Institute's present research programme, therefore, underlines the necessity for compilation of basic information on current organization policies, procedures and practical administrative problems in public institutions which will constitute a basis for more fundamental research to be undertaken later. Also being conducted

is an area of research concerned with the historical development of Ministries, Government Departments, Boards and Corporations.

On the whole, the accent at present is on compilation, study and analysis of current practices and problems in the light of practices and administrative processes followed by the most modern states. As the research work now undertaken encompasses the entire public sector and spans varying periods, a large gap will inevitably yawn between this research and its results.

Nevertheless, with continued encouragement and facilities such as are being given by the Administration, and a continued understanding and co-operation, there is reason to believe that the results would doubtless outstrip the original expectations of the Institute.

(B) INSTITUTE LIBRARY

Financed by the Ford Foundation, the Institute Library was established in 1957 with help from the Public Administration Service (Chicago). Housed at first in a building at No. 44, Prome Road, the Institute Library had a membership somewhat restricted by its relatively inaccessible location

It has now been moved to 325—327, Maha Bandoola Street, Rangoon, where with its collection of more than 10,000 hard-cover books and a considerable number of pamphlets and periodicals, its membership is rapidly soaring. To facilitate borrowing of its books by the members of the ministerial staff, the Secretariat Library has been placed under the control of the Institute Library and is being operated as a branch.

The Institute Library's core clientele consists of University students, businessmen, heads of public and private organizations, members of the Burma Civil Service undergoing in service

training, and Senior Civil and Military Officers attending Orientation Conferences organized by the Institute.

(C) TRAINING AND EDUCATION WING

Since Burma became independent, the necessity for systematic training of Civil Servants has never been felt more acutely.

Training is an investment no less important and urgent than any other form of development. An emerging country like Burma whose rate of capital investment has been one of the highest in Asia could ill afford to ignore her crying need for human investment. Yet it appears to have been somehow overlooked or played down until recently.

Where previously facilities such as accommodation for expansion of training activities were woefully lacking, and little impetus and recognition forthcoming from the right quarters, there have now been sympathetic understanding, unsolicited encouragement and ample facilities. But for this change of circumstances, the B.C.S. Training Programme under which courses are now open could not have been launched. Nor could the Orientation Conferences have been held as now.

From the outset, the present Administration has evinced keen and conscious interest in the training of future administrators of Burma, and recognized its urgency. Hardly had the reins of the administration been taken over than arrangements for the B.C.S. training were caused to be made.

A spacious building at No. 50, Natmawk Road, was promptly made available for the purpose, while facilities such as means of transport and classroom equipment were readily supplied. The Director of Military Training and his staff offered unstinted help and full co-operation whilst Secretaries from various Ministries and Heads of Departments, Boards and Corporations joined hands to further this end.

Thus, though late in the coming, the Burma Civil Service College came into being on the 16th February 1959. The first course was attended by 29 members of the Burma Civil Service. The second B.C.S. training course, attended by 29 members of the Burma Civil Service, is being concluded.

This series of B.C.S. training courses is designed for in-service training of those members of the B.C.S. Senior Branch who joined the Service in or after 1955.

The main objectives of this training programme are (a) to provide the trainees with the right outlook and attitude, and knowledge of the nature and volume of the work involved in their official duties; (b) to initiate in them the skills essential to their work, and equip them with requisite general knowledge; and (c) to develop managerial efficiency and insight.

There is yet another important programme which, thanks to the foresighted understanding of the present administration, the Institute has been able to carry out. The aim and object of this programme is to secure coordination and balance at the higher levels of administration through exchange of views, ideas and experience between high-ranking personnel of various services.

Thus, under this programme, the first of a series of 16 Orientation Conferences was held in October, 1959, at the Social Service Centre at Chawdwingon. Attended by 50 senior civil and military officers, the conference was officially opened by the Prime Minister himself.

The third Orientation Conference has been concluded and the fourth course will commence by the first week of March 1960. So far, 147 officials have attended the conferences, and it is expected that altogether 1,254 high-ranking officials, civil and military, will have participated in the conferences by the end of this programme.

The Supervisory Training Programme, launched on October 21, 1957, is still proceeding. This programme aims at orientating the Government personnel of the lower-management levels, boosting their morale, and helping them acquire better perspective, wider outlook and more skills. It is designed to help combat the chaos and imbalance likely to result at all levels of administration in the face of growing complexity and diversification of a newly independent State's organs and functions.

The 8th Supervisory Training Course was in session at the time Bogyoke's Administration took over. In the space of a year only 164 Superintendents were able to attend the courses as various difficulties had prolonged the intervals between the courses.

With the 15th Supervisory Training Course just completed, a total of 208 Superintendents and Senior Assistants have, in the equal space of time, attended the course from the 9th to the 15th course. The increase in attendance would appear to reflect conditions obtaining hitherto—favourable and conducive to successful execution of measures for reform and renovation in the administration.

This is made manifest by reference to the following comparative statement showing the percentage of failures in the end-of-course examinations of the Supervisory Training courses held under the past Administration and under Bogyoke's Administration.

<i>Supervisory Training Courses.</i>	<i>Attendance.</i>	<i>Failures.</i>	<i>Per cent.</i>
1st course to 7th course (Prior to Bogyoke's Admin.)	164	16	9.8
8th course to 15th course (Under Bogyoke's Admn.)	208	12	5.76

The drop in the percentage of failures in the end-of-course examinations is a pointer to the growing enthusiasm and

interest of both the trainers and the trainees in the supervisory training courses held under the present Administration. This is partly explained by the new-found sense of duty and discipline permeating throughout the entire service as a result of the new Administration's impact upon it. Morale in the services has never been so high.

The 16th Supervisory Training class is at present being held. It is expected that all the personnel of the lower-management levels in the Ministries will have taken the Supervisory Training course by the end of July, 1960. After that there are plans to admit Superintendents and Senior Assistants in Government Departments, Boards and Corporations to the Supervisory Training courses.

(D) CIVIL SERVICE WING

The main function of the Civil Service Wing is to examine the general structure and working of the civil service machinery, and advise Government on the development of the existing services into more efficient instruments for the discharge of the dynamic and increasing functions of the Independent State.

Its entrusted task is to keep a sharp look-out for flaws in the civil service machinery, greasing where grease is required, so to speak, scrapping its rusty parts where rendered defective, and tightening up screws where this is found necessary. It takes more than the best will in the world to accomplish this enormous task. It calls for a forward outlook, an open mind, unrelenting diligence and a missionary zeal.

The Civil Service Wing has been instrumental in setting up the Screening Committee now functioning under the chairmanship of the Chief Secretary to ensure uniform methods and standards of recruitment, promotions and transfers pertaining to the personnel of and above the

Selection Grade in the services. As the Central Advisory Body, the Screening Committee has been both a detergent of and a deterrent to the elements of nepotism, favoritism and patronage that tend to creep into matters of service recruitment, promotion and transfer.

Another committee has also been instituted to advise the Government on matters of disciplinary action in respect of high-ranking officers in the services.

After consultations with the Public Service Commission and departmental heads, the Civil Service Wing has drafted for legislation a comprehensive Civil Service Act and Clerkship Rules. Rules relating to the conditions of service are also being constantly reviewed and brought up-to-date.

The major structural reorganization of the governmental machinery has already been recommended, and is under the active consideration by the Government.

(E) ORGANIZATION AND METHODS WING

Ever since the attainment of Independence, Burma has been in the painful process of socio-economic development. In this post-independence phase, an efficient and competent administrative apparatus is indispensable.

With the transition from dependent colonial status to an independent sovereign status, long pent-up aspirations of the Burmese people found expression in a growing number of social and economic objectives for the realization of which new departments, boards and corporations have had to be created. There have therefore arisen problems of organization, co-ordination, communication, delegation of power and the like.

The ultimate aim of the Organization and Methods Wing is to raise efficiency of government operations to the highest possible level. Efficiency being the ratio of

effectiveness to cost, the O. & M. Wing is concerned with the interplay of ends and means. The optimum level of efficiency is, therefore, to be achieved through better structural organization, better methods and procedures, and better office lay-out.

Thus, periodic surveys and staff inspections have to be made, work problems analyzed, office methods and procedures reviewed and modified, and organizational patterns changed. Such, roughly, constitute the normal work of O. & M., though it is, unlike its counterpart in the U.K., only an advisory service.

Its function is to advise the heads of government departments on matters of organization and methods, with the aim of enabling them to increase the efficiency of the work for which they are responsible, by providing a better service and/or by reducing the cost.

(1) *Surveys*.—Six Ministries had been surveyed and recommendations made for promotion of greater efficiency. Though other Ministries will be surveyed, it is not contemplated that all of them be covered by the staff in the O. & M. Wing.

(2) *Staff Inspection*.—Pending a decision to locate a staff inspection unit either in this Wing or in the Ministry of Finance and Revenue, staff inspection is handled in this Wing. Three references were received. These relate to requirements of staff in the Chin Ministry, in the Office of the Commissioner of Police, Rangoon, and for Community Development. The first and the third have been disposed of, while the second is being considered as the analysis was completed only recently.

(3) *Research*.—Research is being conducted into the multifarious aspects of the Civil Service and the O. & M. Wing, both in Burma and in other countries. Statistics as well as other items of information relating to the various governmental organizations in the Union have been asked for and are being compiled.

(4) *Assistance to the Training and Education Wing*.—In each of the training courses and seminars given at the various levels—supervisory training, Burma Civil Service (Senior Branch) training, and Selection Grade personnel seminars, officials of the O. & M. Wing have actively participated, handling subjects such as Work Simplification, Correspondence, Registry and the like. Those attending the various courses have been apprised of the fact that the O. & M. Wing will be ready to assist whenever they feel that such help is required.

(5) *O. & M. Training*.—It will be clearly evident that the small staff of officials in the O. & M. Wing (one Additional Director, three Deputy Directors and three Assistant Directors) will not be able to visit each and every agency of the Government to suggest ways and means of improving efficiency. Neither has this been the intention.

It is only men *within* the organization who can, if they have the time and the opportunity, analyse the present set-up, critically examine it, and suggest ways and means of implementing better methods which would result in the work becoming easier, quicker, economical and more efficient.

With this in view O. & M. and T. & E (Organization and Methods and Training and Education) units had been formed in some twenty-two Ministries. Each unit is headed by an Assistant Secretary and supported by a Superintendent and an Upper Division Assistant. In order to ensure that these units function effectively, not only must they be relieved of a part of their work-load, but they must be trained to organize O. & M. habits, and also to be able to teach better and simplified methods and procedures to the staff in their organization.

A training course was the only solution. A United Nations Adviser on training who had spent quite a number of years in the

Middle East has recently arrived on an initial one-year assignment. A training programme is being drawn up, and the Assistant Secretaries and Superintendents of the O. & M. and T. & E. units will be called up for training.

Once the units in the Ministries have been attended to, units will be formed in Boards and Corporations and in other governmental agencies as well and the senior members of these units will be given the necessary training.

(6) *Other Tasks Undertaken.*—The Clerkship Rules that had been prepared are being revised with additional features. Point of entry will be not only at the Lower Division Clerk level, but also at the level of the Senior Upper Division Assistant.

Booklets on work simplification and the implications of integration of Ministries and departments have been stencilled and distributed to those interested.

Under preparation is the Correspondence Manual while the draft Manual for Stenographers and Typists is being reviewed. Top on the list for preparation are the Manual on Office Procedure and a pamphlet on the need for greater financial delegation.

The measures enumerated above indicate that a firm start has been made towards better administration. Needless to say, much will depend on the zeal and persistence of the hundreds of officials and other members of the staff in a determined bid to forge ahead towards the long awaited and greatly desired goal of improved efficiency.

II. The Burma Historical Commission

The Burma Historical Commission was formed by the Government in January 1955 (i) to compile an authentic and authoritative standard history of the Union of Burma from the earliest times to the present day and (ii) to collect materials relating to the

present period for the contemporary history of Burma.

When the Bogyoke Government assumed power in November 1958 the Commission was in its first stage, collecting source materials. In the following 15 months, in addition to continuing this primary function, the Commission was able to make arrangements for the indexing of the source materials for the purpose of the writing of the History.

Collection of source materials is the main function of the Commission. The source materials must be contemporary and original. Therefore in collecting these materials the Commission has to make investigations and unearth those that are lost, collect and collate those that are scattered and procure those that are known. As the materials vary with the period, different methods have to be used to collect them.

The most important materials for the Pagan Period are the lithic inscriptions. Being contemporary records they are much more reliable than the Chronicles the earliest of which was written some two centuries later. The Chronicles also made scant reference to these inscriptions. It was only when the Glass Palace Chronicle of King Bagyidaw was written in a much later period that some inscriptions were referred to.

Even then the art of reading inscriptions was not yet developed at that time. The inscriptions are therefore bound to bring to light many interesting facts hitherto unknown. They also number by thousands, half of them still unread and undeciphered. Therein lies the significance of these inscriptions.

The Commission has during the 14 months, sent Inscription Rubbing Teams nine times to various places all over the country. These teams altogether spent 179 days in the field collecting, 873 rubbings

of 216 inscriptions. Fourteen of these inscriptions are new discoveries.

Source material similar to lithic inscriptions are ink inscriptions found on the walls of pagodas and ancient buildings. They date from the Pagan Period down to the Konbaung Period. During the months of July to September 1959 the Commission for the first time sent a photographic team to search and photograph these inscriptions in pagodas and ancient buildings along the Irrawaddy valley. The team was on tour for one month and seven days and harvested 764 photographs of these ink inscriptions.

During the 14 months the Commission took, 1,748 typed pages of copies of 29 rare manuscripts and listed and title-indexed, 1,180 palm leaf manuscripts of Taungdwingyi "Yin Kye Hmu" Library, and 600 palm leaf manuscripts, 60 *parabaiks* (paper parchment manuscripts) and 6,000 books and publications of a private library in Taungdwingyi.

The Commission has also made arrangements to compile a list of historical manuscripts in public and private libraries all over the country.

One of the major sources for the Konbaung and the British Periods are the administrative records of the then British Government of India and Burma. In July 1959 the Commission sent 2 Research Officers to the India Office Library, London. They worked there for six months and selected and microfilmed 211,940 pages of records on Konbaung and British Burma.

The Government sanctioned £1,000 to cover microfilm expenses. This was the first time that such a sanction was accorded to the Commission. The records microfilmed included reports of the Maritime Trade and Customs Administration, Commercial Reports, Secret Consultation, Political Letters, Departmental Reports, such as those of the Police and Education Department, Archaeological Reports, Census

Reports for 1872, 1881, 1891 and 1901, Settlement Operation Reports, Gazetteers, etc., constituting 91 items and 257 microfilm rolls.

These materials would be of great value not only to the Commission but also to the various Government departments.

During the months of November 1958 to October 1959 the Commission's various field research teams, numbering 11 in all, visited 13 historical sites spending a total period of 125 days. The places visited include the site of Old Dalla near Twante, the Pyu areas near Taungdwingyi and the home of the ancient Mon-Khmer races in Myitkyina District.

The Commission Library and Archives Section collected 842 books and publications in addition to the 61 Settlement Reports received as gifts from the India Office Library, London. The Section was also able to properly access and arrange 3,000 Chinese books, 6,000 rubbings of inscriptions and 330 rolls of microfilms.

The Section also catalogues 1,368 photographs the Commission has obtained for "Old Burma" [History of Burma down to the middle of Pagan Period by Professor Dr. G. H. Luce, Chairman of Burma Historical Sub-Commission (A)].

Chinese Chronicles and other Chinese sources contain much material on Burma since the two countries are neighbours and have close contact from the earliest times.

Especially for the period where written Burmese sources are scarce these Chinese sources are of great value. The Commission has a Chinese Specialist translating them. During the period under report he translated 174 pages from five titles and compiled 562 index-cards.

The Commission was originally granted only 2 Research Officers for the Research Section to card-index the source materials collected. No posts whatsoever were granted for the writing of the history. The

members of the Commission and Sub-Commissions are honorary workers and they cannot be expected to do full time research work. The Commission has therefore been unable to commence with the writing of the history.

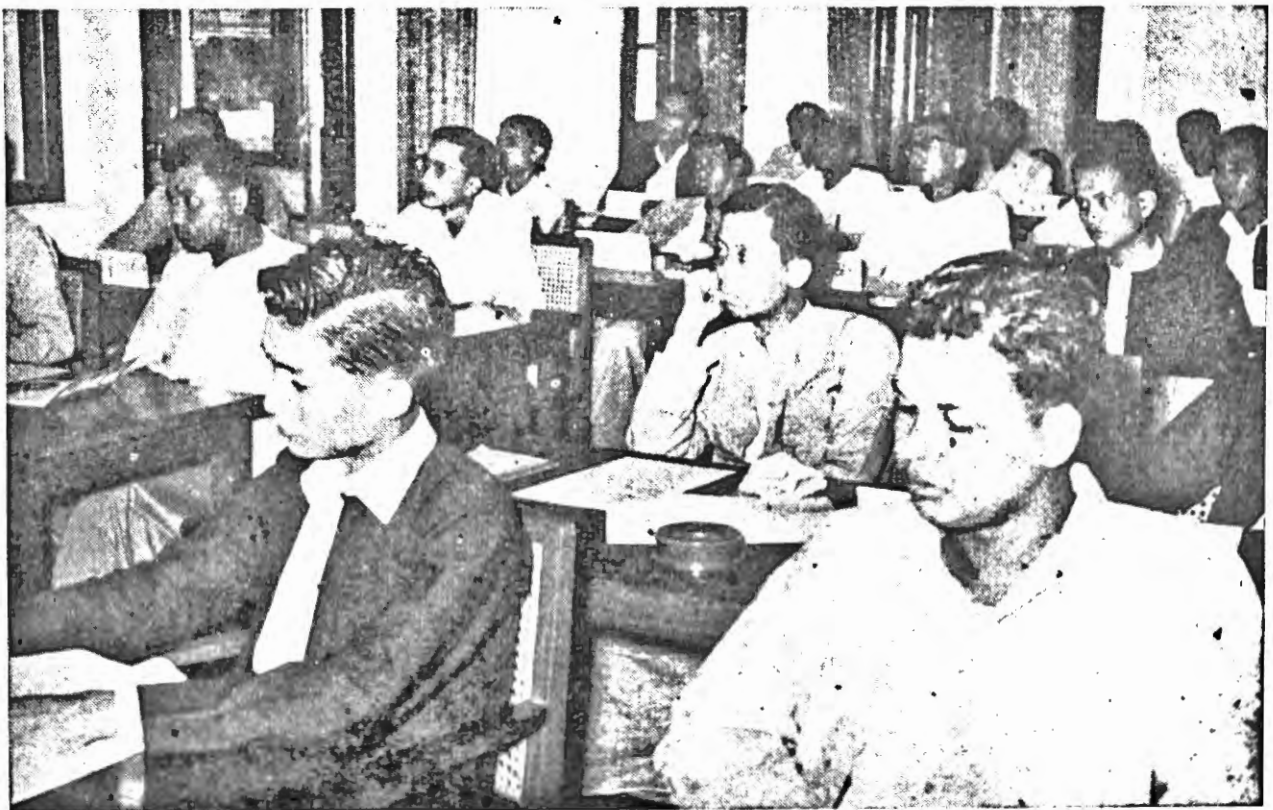
The Bogyoke Government in December 1959 accorded sanction for the creation of two Selection Grade posts of Compilers and an additional post of Research Officer. Arrangements have been made to commence with the compilation work as soon as the compilers are appointed. As a preliminary project the two Research Officers already in the Commission have been assigned to compile monographs on "Medieval Burma 1300—1400" and "Arakan 1824—1885".

Arrangements have been made to publish a bilingual bulletin containing articles based on the original research work of the Commission, the aims being to share knowledge with scholars in Burma and abroad and to

keep the public in Burma informed of the Commission's work in progress. It is planned to publish the bulletin bi-annually and to publish the first number during the present financial year.

The Burma Research Society held its Fiftieth Anniversary Celebration in December 1959 and the Commission took the opportunity to exhibit its collection of source materials to the distinguished scholars attending the Conference. The visitors showed great interest in the exhibits shown as well as in the Commission's activities.

The Commission made necessary arrangements for the publication of "Old Burma", an authoritative history of Burma down to the middle of Pagan Period written by Professor Dr. G. H. Luce, Chairman of the Burma Historical Sub-Commission (A), since before the War. Plates and some chapters have been sent to the publisher.



Public Administration Institute classes



U Chan Tun Aung, Minister

Ministry of Foreign Affairs

Since the Union of Burma regained her independence on January 4, 1948, after nearly a century of foreign domination, it has been the prime objective of her foreign policy to safeguard her independence and national security and to work for a new era of progress and prosperity for her people. To achieve this objective, the Union of Burma needs a long period of peace at home and abroad and of friendly co-operation among all nations for their mutual benefit.

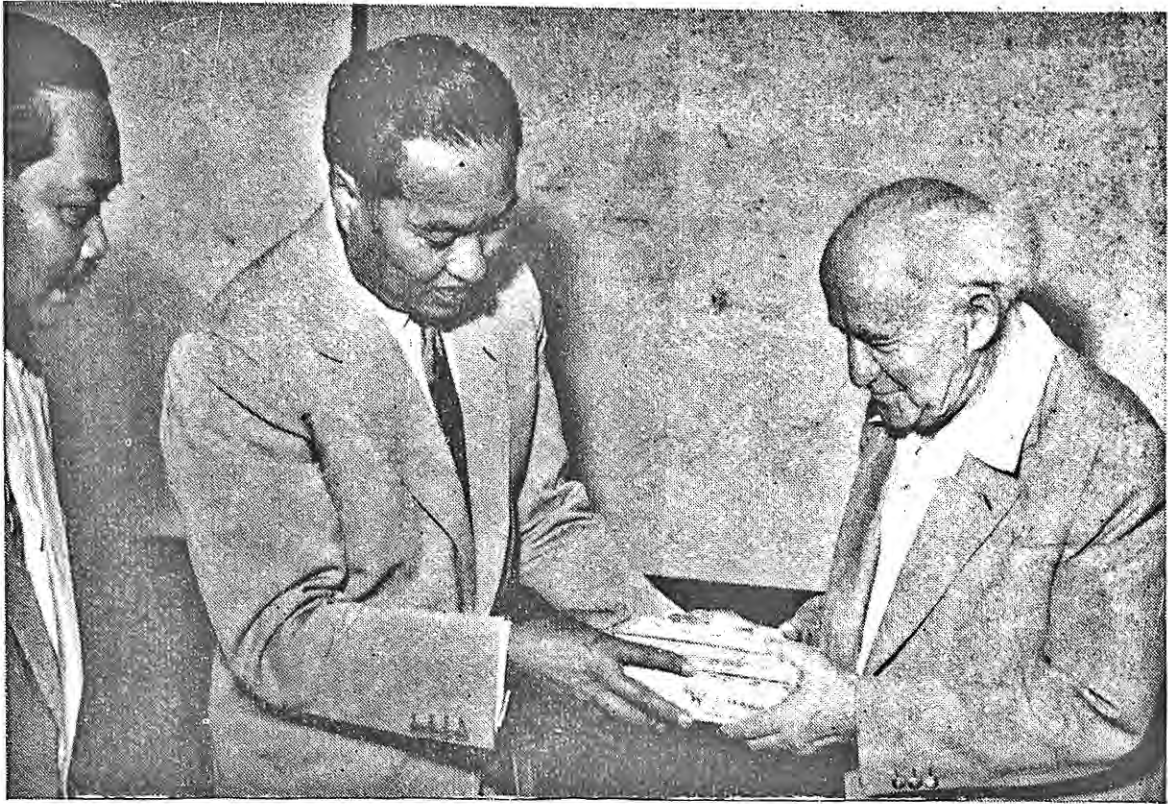
Unfortunately for the Union of Burma, her re-emergence as an independent, sovereign State coincided with the onset of the struggle between the two opposing gigantic politico-military blocs, one headed by the Soviet Union and the other by the United States of America, which has plunged the entire world into a state of fear and tension such as it has never known before in times of peace.

In the context of such an international situation, the Union of Burma's fervent desire to maintain a policy of independence in the conduct of her foreign relations, and her devotion to the ideal of peace and

friendly co-operation with all nations, compels her to stay out of this struggle or the "cold war" as it is called, and to adopt a policy of peace, of neutrality and non-alignment in the "cold war" and of friendly co-operation with all nations.

The Union of Burma's neutrality is, however, not a neutrality between right and wrong. She believes that in the cold war between the two power blocs neither side is absolutely right or absolutely wrong; and she therefore refuses to line up absolutely with either bloc, thereby preserving her right to exercise independent judgment on any international issue, and to maintain friendly relations with all nations.

When the administration of the country was handed over to the Caretaker Government of General Ne Win in October 1958, Prime Minister General Ne Win declared in his policy statement to the Parliament that the Caretaker Government would adhere strictly to the policy of peace, of neutrality and non-alignment in the "cold war" and of friendly co-operation with all nations.



Prime Minister General Ne Win on goodwill visit to Israel presents a gift to Prime Minister Ben-Gurion

Despite this unequivocal declarations some interested quarters circulated report, in the early months of the new regime that certain elements of the Caretaker Government secretly planned to inveigle neutral Burma into the South-East Asia Treaty Organization (SEATO), and to that end were persecuting "democratic" organizations and political leaders who advocated the policy of neutrality and non-alignment with either of the two power blocs. That these reports are absolutely without foundation and malicious has been amply demonstrated by the deeds of the Caretaker Government.

In conformity with the Union of Burma's policy of maintaining good neighbourly relations and friendly co-operation with all nations, the Caretaker Government of General Ne Win has made every endeavour to promote friendly relations and co-operation with all countries, especially with the countries of Asia and Africa that have newly regained their independence and have

much the same problems as the Union of Burma.

The Caretaker Government used its unofficial good offices with strict, impartial amity when the Government of Thailand asked it, in view of the Union of Burma's friendly relations with both Thailand and Cambodia, to look after Thai interests in Cambodia during the temporary break in the Thai-Cambodian diplomatic relations. The assistance of the Caretaker Government on that occasion was appreciated by both Thailand and Cambodia.

Also, when the Caretaker Government received a request for permission to use Rangoon as the site for talks between Red Cross representatives of Thailand and of the Democratic Republic of Vietnam on the problem of the repatriation of Vietnamese refugees in Thailand, it readily acceded to the request, realizing that Rangoon was chosen as the capital of a neutral country which has friendly relations with both

Thailand and the Democratic Republic of Vietnam. Happily, the talks between the Red Cross representatives of the two countries resulted in an amicable settlement of the problem.

Prime Minister General Ne Win also took opportunity to pay a goodwill visit not only to Israel but also to the United Arab Republic. He also paid a short friendly visit to both Pakistan and India. In fact, General Ne Win is the first Prime Minister of the Union of Burma to have paid goodwill visits to the United Arab Republic and Pakistan.

In the joint communique issued by them on October 6, 1959, General Ne Win and President Gamal Abdel Nasser declared that they remained more than ever convinced that the policy of independence from foreign influence, and of non-alignment and positive neutrality, is the correct policy for their two countries, and that by consistently pursuing this peaceful policy their two countries can make positive

contribution towards the preservation and consolidation of peace and the promotion of friendly relations and co-operation among nations.

During his visit to Pakistan, General Ne Win was also able, through friendly discussions with the President of Pakistan, not only to pave the way for an amicable settlement of the outstanding question of payment of Burma's debt to Pakistan, but also to prepare the ground for settlement of various outstanding questions concerning the Pakistan-Burma border.

Just as the Caretaker Government has endeavoured to maintain good neighbourly relations with all countries, so have many foreign countries sought to strengthen the ties of friendship and friendly co-operation existing between them and the Union of Burma.

Many foreign dignitaries have for this purpose paid goodwill visits to the Union of Burma, among them being His Excellency



Premier Chou En-lai of China extends welcome to Prime Minister General Ne Win in Peking



The Burmese Goodwill Mission at Peking concludes successful border demarcation talks and agreement

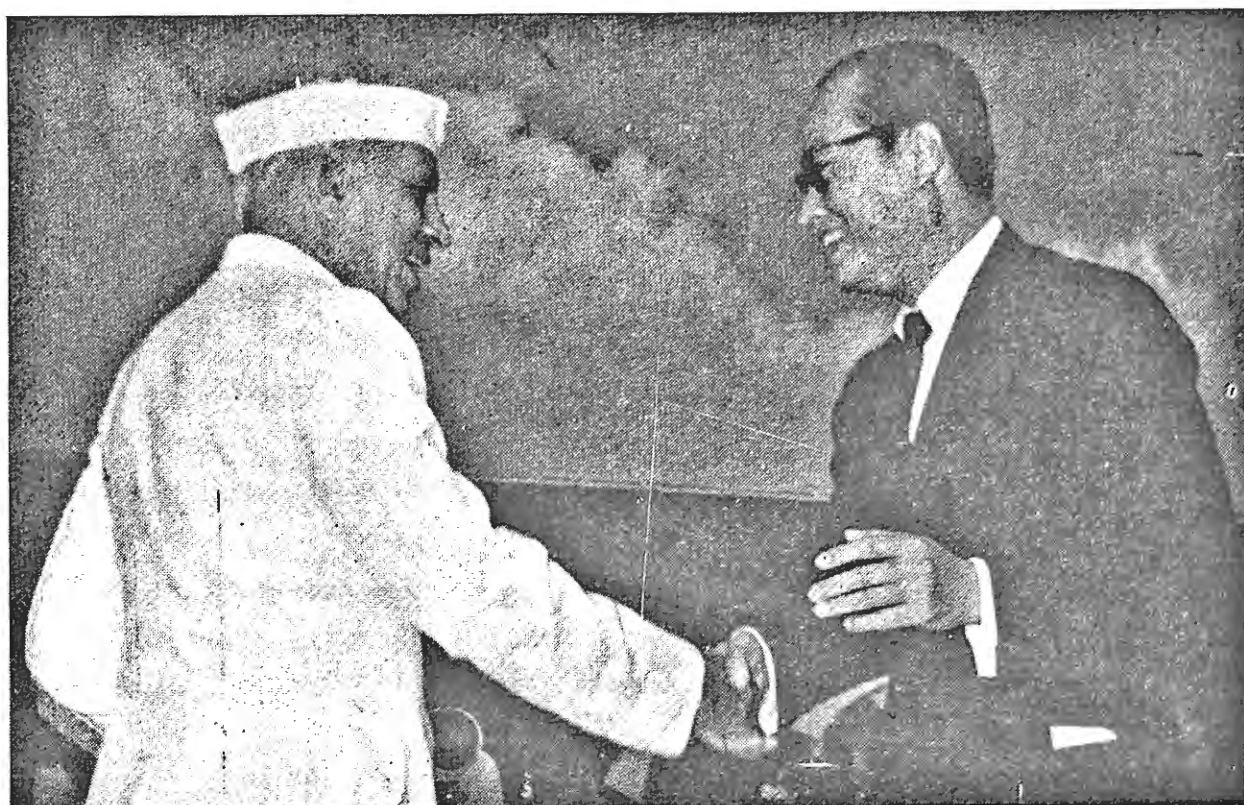
Marshal Josip Broz Tito, President of the Federal People's Republic of Yugoslavia ; H.R.H. Prince Philip, Duke of Edinburgh ; His Excellency Mr. Izhak Ben-Zvi, President of the State of Israel ; His Excellency Mr. Nikita S. Khrushchev, Chairman of the Council of Ministers of the Union of Soviet Socialist Republics ; and His Majesty Phumibol Adulyadez, King of Thailand.

In the field of foreign relations, the most outstanding achievement of the Caretaker Government is undoubtedly the conclusion of the Agreement between the Government of the People's Republic of China and the Government of the Union of Burma on the question of the boundary between the two countries, and of the Treaty of Friendship and Mutual Non-Aggression between the two countries, during the visit of Prime Minister General Ne Win to the People's Republic of China from the 24th to the 29th January 1960, on the invitation of

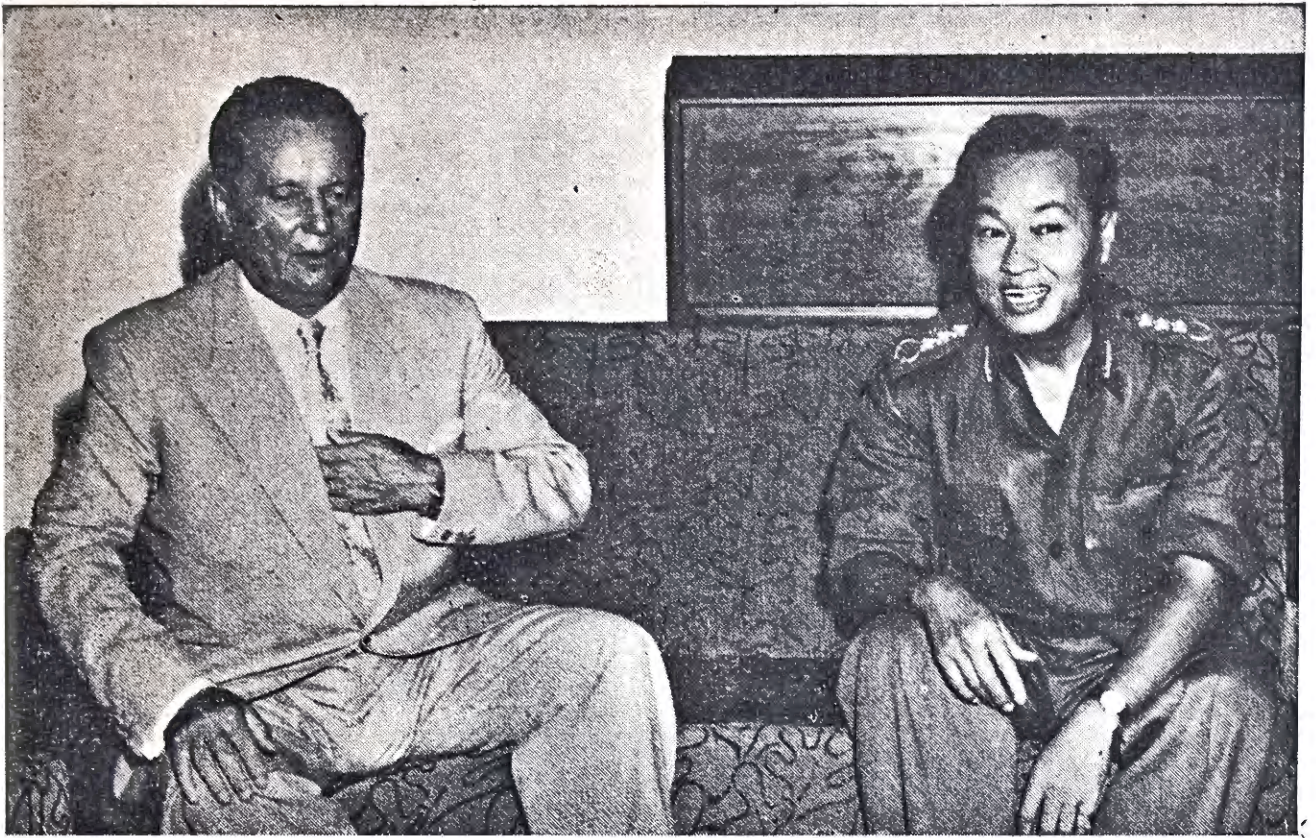
His Excellency Mr. Chou En-lai, Premier of the State Council of the People's Republic of China.

The gist of the Agreement on the question of the boundary is that the People's Republic of China has in effect accepted the Sino-Burmese boundary as inherited by the Union of Burma from the United Kingdom, and shown in the current maps of the Union of Burma, except for the transfer to China of—

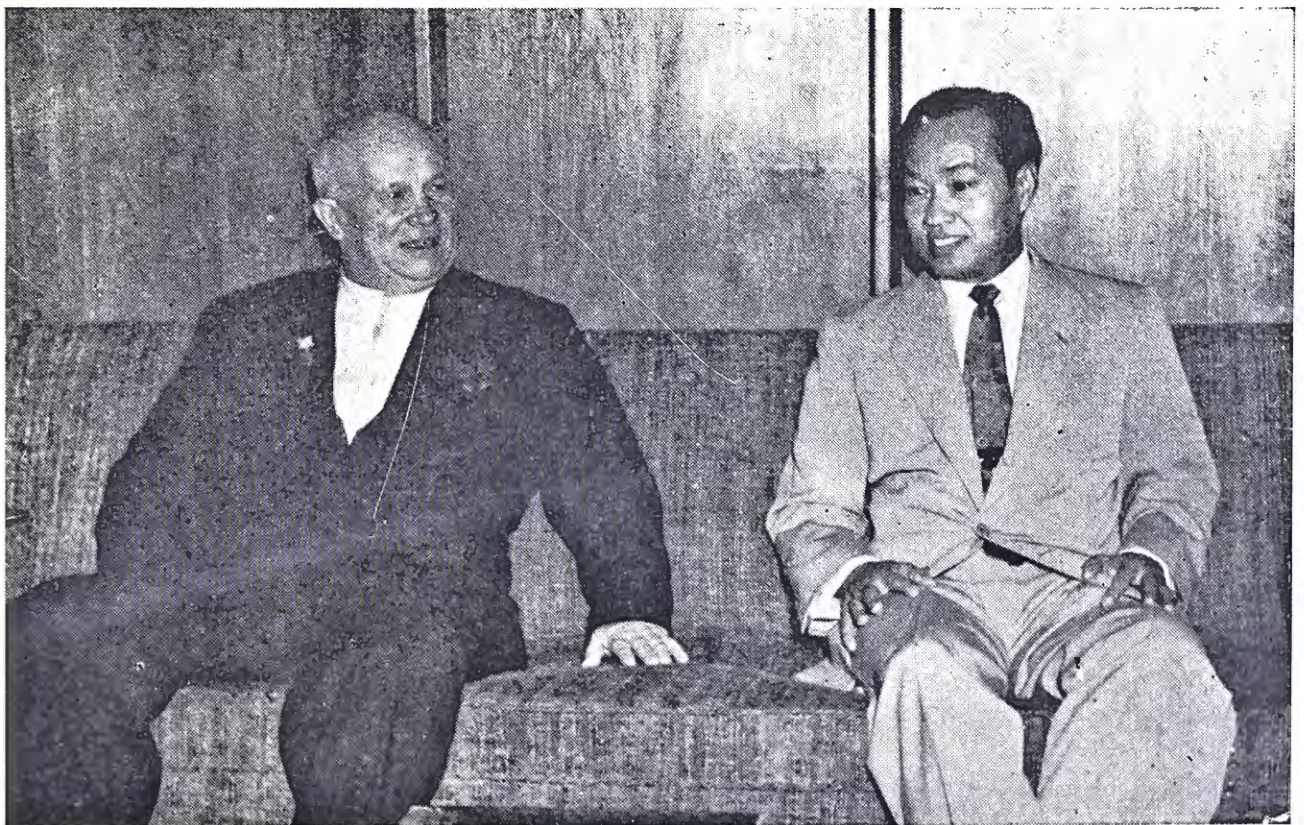
- (i) an area comprising Hpimaw, Gaw-lum and Kangfang which is still to be determined by a joint committee, and
- (ii) the Panlao and Panhung area of the Shan State which is to be exchanged for the Namwan Assigned Tract, the leased territory which China has agreed to transfer permanently to the Union of Burma to become part of its sovereign territory.



Indian Premier Shri Nehru greets welcome to Prime Minister General Ne Win during the goodwill visit to India



Marshal Tito of Yugoslavia meets with Prime Minister General Ne Win during a goodwill visit to Burma



Chairman Khrushchev of the Soviet Union meets with Prime Minister General Ne Win during goodwill visit to Burma

The significance of this Agreement is that there now exists for the first time in history a firm mutually agreed basis for the delimitation and demarcation of the entire boundary between Burma and China. It is in the fitness of things, therefore, that this historic event, which will remove a major source of misunderstanding between the two countries, should be accompanied by a Treaty of Friendship and Mutual Non-Aggression between them.

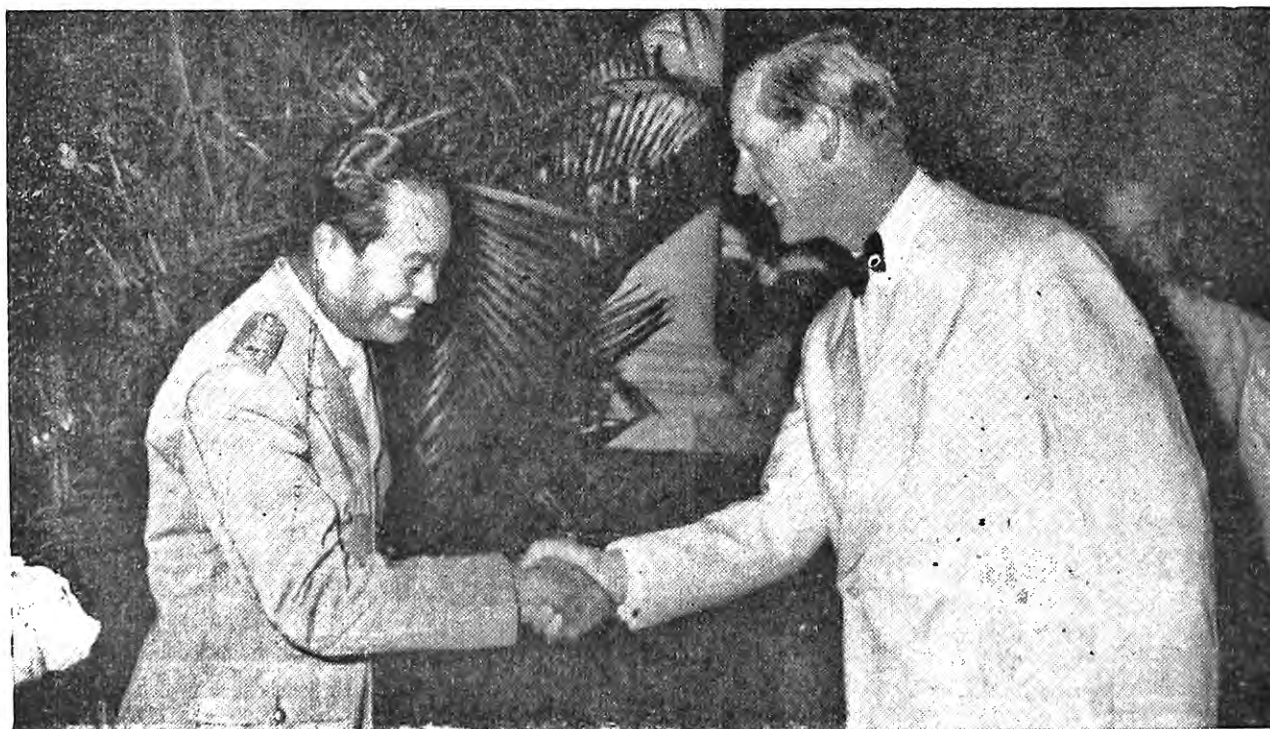
The Treaty of Friendship and Mutual Non-Aggression with China follows the basic pattern of Treaties of the same nature concluded between other countries. Under the Treaty, both parties undertake—

- (i) to recognize and respect the independence, sovereign rights and territorial integrity of each other ;
- (ii) to settle all disputes between them by means of peaceful negotiation without resorting to force ;
- (iii) each not to carry out acts of aggression against the other, and not to take part in any military alliance directed against the other ; and

- (iv) to develop and strengthen their economic and cultural ties in a spirit of friendship and co-operation, in accordance with the principles of equality and mutual benefit and of mutual non-interference in each other's internal affairs.

It can thus be seen that this Treaty is strictly in accordance with the Union Government's policy of strengthening friendly relations and expanding co-operation with all countries irrespective of their political or social systems, and that it faithfully reflects the policy of peace and of neutrality and non-alignment which the Union of Burma has chosen in complete freedom, publicly proclaimed, and consistently followed ever since she regained her independence.

The Treaty may confidently be expected to usher in a new era of mutual trust and growing friendship and of expanding co-operation between the two countries, to the end that they may come to live together, for all time, as good neighbours.



The Duke of Edinburgh on goodwill visit to Burma is greeted welcome by Prime Minister General Ne Win

National Economy

National Economy

8. MINISTRY OF NATIONAL PLANNING
9. MINISTRY OF AGRICULTURE AND FORESTS
10. MINISTRY OF LAND NATIONALIZATION
11. MINISTRY OF SUPPLIES
12. MINISTRY OF MINES
13. MINISTRY OF FINANCE AND REVENUE
14. MINISTRY OF TRADE DEVELOPMENT
15. MINISTRY OF INDUSTRIES
16. MINISTRY OF TRANSPORT, POSTS AND TELECOMMUNICATIONS
17. MINISTRY OF MARINE AND CIVIL AVIATION

Ministry of National Planning



Prime Minister Gen. Ne Win

The Ministry of National Planning improved its efficacy as the central body advisory to the Cabinet on broad issues of economic, social and technical policy. Forward strides were taken in the collection, collation, analysis and interpretation of basic statistics and economic intelligence.

A close observation was kept on programme and project implementation. Encouragement, assistance, or initiation provided by the Ministry resulted in marked improvement in the operating practices in the various agencies of Government.

I. Budget, Allocation Supervision Committee

Allocation of Government expenditures as between the various sectors and departments should be guided by a consideration of national priorities. The efficient and speedy implementation of programmes should be in line with governmental policy. In order to oversee expenditure allocations and programme implementation there was constituted in the

Ministry of National Planning a Budget Allocation Supervision Committee composed of the following members:

- (1) Brigadier Aung Gyi, Vice-Chief of Staff, Defence Services (Army), Ministry of Defence.
- (2) *Thray Sithu* Commodore Than Pe, Vice-Chief of Staff, Defence Services (Navy), Ministry of Defence.
- (3) Colonel Maung Maung, Director of Military Training, Ministry of Defence.
- (4) *Thray Sithu U Kyaw Nyunt*, Secretary, Ministry of Finance and Revenue.
- (5) *Sithu U Mo Myit*, Secretary, Ministry of National Planning.
- (6) *Thiri Pyanchi Sithu, U Maung Maung*, Secretary, Ministry of Defence.
- (7) *Thiri Pyanchi U Soe Tin*, Executive Secretary, Foreign Office.

The Committee anticipated, watched and suggested means of dealing with important questions involving economic policy, especially those which owing to

their generality or novelty extended beyond the spheres of any department. It gave connected forethought to economic, social and technical matters, including production, trade and prices. It explored and determined realistic levels of domestic and foreign financial resources and expenditures.

The progress of implementation of Government programmes was observed and measures to overcome difficulties were instituted. In the discharge of its functions the Committee sought the advice and co-operation of all Government and *quasi*-Government organizations.

II. Trade Co-ordination Committee

The resources of the Ministry of Trade Development, the Ministry of Supplies and Co-operatives and the Ministry of National Planning were pooled in deliberation and action was directed towards the solution of problems of trade imbalances, shipping space, procurement and distribution, production and export. A continuing watch was kept on these problems.

III. Investment Act

Legislation designed to attract foreign investment, which has so long been pending, received early consideration of the Government. The Union of Burma Investment Act was passed in September 1959 with the economic and social development of the Union, the increase in output and productivity, the raising of the standard of living and the encouragement of long-term investment as its declared aims and objects.

The Act applies to manufacturing, mining, fishing, tourism, processing of agricultural, forest, mineral or fishery products and such other economic activities as may, by rules, be brought under the Act.

The Act grants complete exemption from income-tax for the first three years of an

enterprise and partial exemption for additional periods, exemption from customs duty on machinery for the first three years, exemption from customs duty on raw materials for the first three years' commercial production, guarantees non-nationalization of an enterprise for a period of ten years from the date on which commercial operations commence, the period being extendible up to twenty years. Other facilities and benefits are also granted.

The passing of the Investment Act was but one of the many measures undertaken by the Government to create an encouraging climate for foreign investment. Many basic economic improvements have been made and many previously effective barriers to new foreign enterprise have been removed.

The Rules under the Investment Act have been drafted and are under consideration by the Government.

IV. Economic Intelligence

It is valueless, often dangerous, to formulate programmes of Government action without the basic information necessary to assess the existing situation, the indigenous and relevant factors, the efficacy of the instruments and changes in the magnitude and direction of the various factors as the policy implementation gets underway.

In order to remove deficiencies in economic intelligence and basic statistics, a programme of development was designed and undertaken. An inventory of primary statistical series and tabulations was prepared and improvements were introduced. The possibilities for exploitation were explored and advantage taken. Additional research and surveys were conducted.

The statistical enumeration, data processing and publication of the report of findings was completed on a survey of household expenditures. On the basis of the findings

of the survey a new set of consumers' expenditure pattern was determined. This was in turn utilized to determine a reliable and sound standard basis for the study of consumers' prices.

Till January 1960, the Consumer Price Index had been based on a study conducted in 1927. Although adjustments were made, the basic information, the findings of over 30 years ago, were far too few and divorced from the way of living of the present time and had become quite unrealistic. A more stable and realistic Consumer Price Index was computed from the findings of the household expenditure survey and officially adopted from the beginning of this year.

Action is being taken to extend such a study to rural areas by conducting a Rural Income and Expenditure Survey during 1960.

Previously, retail prices of selected commodities were collected from 13 towns other than Rangoon. With effect from 1959 price collection was extended to five additional towns: Myitkyina, Bhamo, Taunggyi, Sagaing and Magwe.

To facilitate compilation of Foreign Trade Statistics by punch card system as is being done at present, description of commodities has to be numerically coded according to the standard commodity classification for foreign trade. Compilation of commodity index is intended to make easy reference for the coding staff. The index when completed will also serve as a convenient facility for training new staff. Apart from being a guide for compilers of statistics the index will also serve as a reference for the users of statistics. The index is an alphabetical list of detailed commodities involved in the foreign trade of Burma shown against the standard trade classification used for statistical compilation.

The complexity of the data and the speed with which information is required

necessitates the use of modern electronic processing machines. The Central Statistical and Economics Department increased utilization of its machines and also offered more services to other Departments requiring data processing.

V. Commercial Budgets of Boards and Corporations

The quality of decisions and actions of management and its financial and production control is only as good as the information it receives. Adequate and timely information on operations, purchases and sales, assets and liabilities, cash flow and material flow are necessary tools in gauging the operational efficiency and growth of an enterprise.

Budgets prepared by Boards and Corporations have too often been on a purely cash basis providing for classification of receipts and payments under comparatively few headings. While the cash budget is useful for some measure of control, particularly in relation to cash requirements, its limitation for purposes of management require the preparation and application on a budget set out to provide commercial information.

In August 1959, the Ministry of National Planning in co-operation with the Directorate of Commercial Audit convened a seminar on Principles of Commercial Budgeting attended by managers and accountants of all Government Boards and Corporations. Enthusiastic and informed discussions were held on the preparation and effective use of commercial budgets. Solutions to the practical problems involved were worked out and agreed forms of presentation were described.

Before work on a detailed budget can be commenced management must agree on a plan of operations or production. It is often difficult to plan operations far ahead especially when dates for the introduction

of new equipment and other similar changes may be uncertain.

However, management must take the responsibility for laying down a plan which is the most accurate possible at the time. It is also essential that everybody responsible for any part of the budget should stick to the agreed plan when preparing their budgets. Unless this course is followed it will not be possible to make amendments to the budget in the later stages and the budget itself will be an inaccurate document.

Based on the principles of operation, planning and commercial budgeting discussed and the solutions to practical problems worked out at the seminar, Boards and Corporations prepared work programmes and budgets. These were thoroughly reviewed and appraised in the Ministry of National Planning and suggestions for improvement were put forth to the Boards and Corporations. These essential exercises have imbued the agencies of Government with a cost and efficiency consciousness.

There still remained the problem of inaccurate and absolute statistics and accounts. Estimates were often based on information sporadically compiled or hastily collected from miscellaneous loose files. The result was significant differences between the estimates so reached and actually resulting in the undertaking of unwise decisions and actions on the part of management. The Management Accounting Project in the Ministry of National Planning has assisted Boards and Corporations in devising commercial accounting systems, revising documents and forms and setting up accounting establishments. In order to process the mass of data and to present to management accurate, adequate and timely information on the operations and financial status of the organization, accounting machines have been set up with the help of the staff of the Ministry.

VI. Financial Policy for Boards and Corporations

One outstanding acute problem had been the heavy debt servicing burden of Boards and Corporations. Weighed down by an over-capitalized financial structure in the face of a given price policy the inability to service their debts has resulted in the presentation of deficits in the budgets. This has resulted in the distortion of cost structures, continued borrowing from the Government and the rise of a debt mentality in the management.

Studies were undertaken of the financial structures of Boards and Corporations, their assets and liabilities, provisions for depreciation and payments of interest, cost and price structures, the nature of the enterprise and its viability. Recommendations were then put forward on the treatment of Government loans and advances, revaluation of assets, fixation of rates and prices and the utilization of profits. Work has been completed on the important Electricity Supply Board and the Industrial Development Corporation together with all its sub-boards.

VII. Equipment Co-ordination Committee

Previously, equipment procurement for the various agencies of the Government had been haphazard. Often, much valuable equipment had been purchased without need, or the right type of equipment had not been ordered, or when received had not been utilized or had not been maintained well. Often equipment had been lying untended and unused in the yards of one agency while another had been ordering the same type of equipment from abroad, or work had been held up on a project for the lack of equipment in one agency while the same type of equipment had been rusting with another agency, and had not even been put into the books.

An Equipment Co-ordination Committee was formed in the Ministry of National Planning to prepare an inventory of all important electrical, mechanical, workshop, foundry, transport, and other equipment in the possession of the agencies of Government. Procedures were laid down and oversight was exercised on the full and systematic utilization of equipment and of their maintenance. A clearing centre was established to serve the need of agencies for equipment and hiring rates and charges were fixed for the various types. All requests for the purchase of equipment were cleared through the Committee in order to ensure that equipment available and in the possession of Government would be first utilized and unnecessary purchases avoided.

VIII. Standards for Contracts

It had been realized that agreements contracted between the Government and foreign firms had often been heavily disadvantageous to the Government. Examples in point are the contracts on the BPI, the Mai-Bama Tea, the purchase of ships for the Union of Burma Shipping Board and the joint-venture agreements with the BOC and the Burma Corporation. It appears that the contracts and agreements had been entered into carelessly, without a study of the implications, without a study of the suitability of the equipment purchased for its assigned purpose, and in the case of the joint-venture agreements without a proper check of the assets of the companies concerned.

In order to ensure that the necessary thinking and study were applied to such matters all contracts in which the Government was a party were received in the Ministry of National Planning and thoroughly appraised and reviewed.

There was also compiled a standard enumerating the maximum perquisites which could be offered to foreign personnel contracting their services.

IX. Administration of Foreign Assistance

The Government in its efforts to promote the development of the country explored ideas for the implementation of certain major projects which would contribute to the political, economic and social stability of the country. Amongst such major projects the Government attached the greatest importance to two projects. The first was a modern highway linking Rangoon with Mandalay while the second was the provision of hostels and classroom buildings for a new campus for the Intermediate College in Rangoon.

While recognizing the utmost importance of these two projects the Government was unable to carry them out within the resources then available. Furthermore the Government felt strongly that it should not add to the indebtedness of the Union by resorting to external loans. In July 1959, it was decided to accept the U.S. Government offer of assistance in the form of a planned grant of \$37 million over the next four years.

Preliminary engineering survey of the Rangoon-Mandalay highway, design and cost estimates have been completed. The layout plan of the Intermediate College campus, the design and cost-estimates of the hostel complex have been completed and work is underway on the design of the subsequent phases.

Foreign technical assistance for the Union received improved co-ordination in the Ministry resulting in a more efficacious overseas training programme, equipment acquisition and placement of experts. Foreign technical assistance during the period under review is set down below:

Achievements of Foreign Technical Assistance during the General Ne Win's Government

<i>Name of Organization giving Assistance.</i>	<i>Fellowships.</i>	<i>Equip-ment.</i> K	<i>Ex-perts.</i>
1. Colombo Plan ...	130	39,94,145 (in value)	8
2. United Nations Technical Assistance Organization ...	29	...	41
3. Other Foreign Government and private organizations ...	20	31,32,501 (in value)	4
Total ...	179	71,26,646	53

X. Tourist Promotion

The Union possesses scenic sights equal to the best anywhere in the world with the additional attraction of being unspoilt by commercialization. The products of Burmese craftsmanship, in silver, ivory, wood, cane, cotton or silk are of high artistic attainment and can be obtained inexpensively. The people radiate their traditional charm. If these assets were exploited the tourist industry in Burma could rank next below rice and timber as the country's major foreign exchange earner.

Previously, there had been numerous obstacles in the way of tourists desiring to visit the country. Now most of them have been removed. Immigration, customs and foreign exchange regulations have been relaxed and facilities have been provided to make the tourist's stay here as pleasant as possible and arrangements have been made to get him where he wishes to go rapidly, comfortably and inexpensively.

The purpose is to ensure that the tourist returns from his visit to Burma with cherished memories and souvenirs.

XI. Conclusion

This short account of some of the major activities of the Ministry of National Planning demonstrates the successful performance of essential acts in previously neglected areas. The first steps have been taken for the creation of a favourable climate for productive foreign investment. Co-ordinated efforts have been applied to the problems of foreign and domestic trade. Improvements have been effected in the collection, analysis, interpretation and utilization of economic intelligence. Assistance has been provided to Boards and Corporations to set forth their operation plans and budgets along commercial lines. The crippling debt-servicing burden is being removed. A portion of the house of Government has been put in order by the preparation of an inventory of equipment and future thrift has been assured by procedures which prevent the purchase of unnecessary equipment, and provides for the better care and use of equipment in possession. Above all, connected forethought has been given to economic, social and technical matters.

Sometimes an organization is like an instrument which is capable of fashioning admirable products if it has been utilized in the right manner with the right application of effort. In respect of the Ministry of National Planning the carpenter has used his tool well.



Ministry of Agriculture and Forests



U Ka, Minister

The Ministry of Agriculture and Forests has, under its administrative jurisdiction, the following Departments, Corporations and Projects:

1. *Directorate of Agriculture.*
2. *Department of Forests.*
3. *Department of Irrigation.*
4. *Department of Veterinary Services.*
5. *Department of Salt Revenue.*
6. *Agricultural and Rural Development Corporation.*
7. *State Agricultural Bank.*

I. Directorate of Agriculture

(A) AGRICULTURAL EXTENSION

There were originally nine Agricultural Circles demarcated according to crop regions and nature of research work. But during the Bogyoke's regime these circles were reformed to coincide with the Administrative Divisions so as to provide for better facilities for co-operation and co-ordination with the army and other government departments in the implementation of various projects.

Nine months course of agricultural practical training for the sons of farmers has

now been shortened to one month's course, and services of non-technical organizers were dispensed with and replaced by farm school trainees.

Another introduction was the formation of the Central Working Committee, comprising the representatives from all departments and organizations under the Ministry of Agriculture and Forests. The Committee steered and co-ordinated working plans and projects of the Ministry, including those of the Agricultural Department, to achieve the highest success.

In addition, the department has its own co-ordination council which met frequently.

Meetings were also held once in March and another in August 1959 with the ARDC officers to carry out the work programme providing for efficient and speedy implementation.

In order to be self-sufficient and to earn foreign exchange the following resolutions were carried out :—

- (1) to export 25,000 tons of good quality glutinous rice, 50,000 tons of superior quality rice and 200,000 tons of Burma Special *Emata* rice ;
- (2) to grow 40,000 acres more of maize, 182,100 acres more of beans and pulses for export ;
- (3) to grow chillies, onions, tobacco, wheat and sugarcane for self-sufficiency ;
- (4) to increase cultivation of paddy, cotton and jute ;
- (5) to use more artificial fertilizers to enhance crop yield.

It was gratifying to see that the SAMB is buying improved paddies at premium prices thereby enticing the cultivators to grow improved qualities.

The Agriculture Department and the ARDC proposed to implement jointly the cultivation of 6,000 acres of exotic varieties of paddy, viz., Century Patna, Blue Bonnet and Dragon's Teeth in the irrigated tracts of Upper Burma, besides trying fertilizer applications on about 50,000 acres of paddy land during the 1960 season.

To get increased production, efforts were made for (a) increasing crop areas, (b) enhancing crop yield by using fertilizers, (c) mixed and double/triple cropping, (d) cultivation of culturable waste land and (e) adoption of scientific methods.

As an unprecedented measure the under-mentioned culturable waste lands were converted into demonstration holdings, which served as an incentive to local farmers.



In drive for improvement of quality of agricultural products, the Agricultural Department emplanes quality groundnut seeds for planting in Gangaw

No.	District	Village	Total area of waste lands in acres	Total area to be cultivated in acres	Total area already cultivated during the year in acres	Crops to be sown
1	Magwe ...	Payatkyai ...	3,696	2,000	450	Erect groundnut and <i>pesin-gon</i> .
2	Magwe ...	Pakhanngge ...	20,000	500	500	Chilli.
3	Sagaing ...	Sa-taung ...	2,500	2,000	700	Gram and wheat.
4	Hanthawaddy ...	Kaladan ...	500	500	120	Erect groundnut after paddy.
5	Toungoo ...	Kanyutkwin ...	2,000	2,000	100	Sugarcane and paddy.

(B) AGRICULTURAL ENGINEERING

Farm Mechanization was started in 1948 with a few tractors. As good prospects lie ahead a fleet of 150 wheel tractors were purchased during the Bogyoke's Government, making a total strength of 505.

It is carried out under four main divisions *viz.*—

- (1) Extension,
- (2) Repairs and Servicing,
- (3) Training, and
- (4) Mechanization Research.

(1) *Extension*.—(i) The Agriculture Department and the ARDC has jointly carried out with the help of tractors tillage and jungle clearing in the implementation of major projects.

	1st Nov. 1957 to 31st Dec. 1958	1st Nov. 1958 to 31st Dec. 1959
Area worked by tractor in acres ...	69,752.66	73,431.85
Jungle clearing by tractors (Crawler) in hours	10,075.39	43,995.95

(ii) To achieve better and more effective results the Central and District Mechanization Committees comprising the political representatives were abolished and reformed into District Crop Expansion Committees under the guidance of the Chief Agricultural Engineer.

(iii) During the rainy season tractors from Lower Burma were sent to the dry zone area

of Upper Burma and the following works were carried out, *viz.*, digging of 92 water tanks and successful implementation of Pakhanngge Chilli Project, Sa-taung Project, Mangan Project, Ohn Gyaw and Myaukpyin Projects.

(iv) With the help of the District Security Council, tractors were utilized collectively, not done hitherto, in the following places and reclaimed works were successfully implemented and completed in a short time.

(2) *Repairs and Servicing*.—Servicing, maintenance and repairs to tractors were effectively carried out more than in the past.

(3) *Training*.—To get tractor drivers and to train cultivators' sons so as to make them mechanically minded, tractor driving and mechanic training classes were held continuously in the Rangoon Base Workshop. During this regime 226 drivers and 59 mechanics have been trained and sent out to various districts.

(4) *Mechanization Research*.—Tractor Group, Implement Group, and Harvest Group are formed under mechanization research and foreign agricultural implements are studied systematically to suit Burma soil and climatic conditions. Invention of blade harrows, weeders, tractor operated rakes, etc., required for various agricultural operations are also carried out.

Cattle-drawn steel plough known as "Pyi Daw Aye" was also modified and found to be much stronger and more

District	Township	Village	Reclamation area	Remarks
Pegu ...	Daiku ...	Bone-san	7,900 acres	Started from January 1959.
Maubin ...	Pantanaw	Kanwekabo	6,000 „	Started from February 1959.
Pyapon ...	Bogale ...	Sapegon	2,500 „	Started from March 1959.
Toungoo ...	Oktwin ...	Banbwegon	2,800 „	Started from April 1959.

efficient. To solve shortage of paddy reapers testing of various harvest machines, threshing of paddy by tractors, etc., are being given priority.

(C) AGRICULTURAL MARKETING

(1) *Marketing Intelligence*.—A study on crop production, import and export of various crops was conducted with the view to providing statistics on the basis of which policy could be made and also to find out which crops should be extended for export.

Information on the extraction of oil, area under oilseed crops, stocks held by brokers and merchants, etc., was collected to provide data on which suitable projects could be framed in connection with the Government's policy of bringing down prices of consumers goods and foodstuffs.

(2) *Quality Improvement Scheme*.—

(a) *Paddy*.—The scheme aims at increased production of most suitable strains of paddy with the view to obtaining better quality rice for export trade.

Some 3,400 two-pound samples from five main types of paddy, viz., *Emata*, *Letywezin*, *Ngasein*, *Meedone* and *Byat* were collected, examined and analysed. The object is to know which kind of paddy in each category is mixable for commercial milling without detriment to quality of outturn.

Surveys were conducted in six districts of Lower Burma, viz., Pegu, Insein, Hanthawaddy, Tharrawaddy, Prome and Bassein in connection with the paddy zoning scheme envisaged by the Department.

The division has successfully purchased 137,348 baskets of *Emata* A-36-3 on behalf of the SAMB in Prome District. Peasants were thus encouraged and they realized the value of growing of improved strains of paddy, for which premium prices are paid.

(b) *Peas and Beans*.—Grading trials were conducted with 800 baskets of *Matpe* (black gram) at Henzada. These demonstrations were shown to convince the bean growers and traders that graded quality would pay dividends both in internal and external markets as compared with FAO standards which is becoming outmoded.

(c) *Sugarcane*.—The object is to find out the total production based on the average yield per acre which would help in future planning and adjustment of sugarcane cultivation in accordance with the milling requirements of each district.

Sugarcane crop-cutting experiments were undertaken in three districts, viz., Myitkyina, 110 plots, Toungoo, 320 plots, and Yamethin, 250 plots.

(d) *Cotton*.—The Division undertook responsibility for the disposal of 5-M cotton grown under departmental supervision in Myingyan, Meiktila and Sagaing Districts. Five hundred bales of selected quality lint were sold by tender and remaining 1,100 bales delivered to the Government Spinning and Weaving Factory, Thamaing.

(3) *Model Seed Farm*.—The Division had undertaken full responsibility to run a 2,000 acre Model Seed Farm near Kanyutkwin in Toungoo District. Over 500 acres have already been cleared of

jungle and about 100 acres planted with Co-419 an improved variety of sugarcane noted for its disease resistance. Clearing and tillage operations are still in progress.

(4) *Standardization of Weights and Measures.*—During the period under report 29,084 local baskets were standardized and steps were taken to mass produce standard measuring baskets and metal weights in consultation with FID and IDC and other sources.

(5) *Future Plan.*—Most of the above undertakings are necessarily long-term projects and to be fruitful—should be continued and expanded.

In addition, the following items should find place in the future programme of work of this Division:

- (1) Opening of Regulated Markets in Magwe and Pakokku—both being important trade centres in Upper Burma.
- (2) Virginia Tobacco—Grading and training of Graders.

(3) Study of Trade Centres in Burma—with the view to effecting improvement in the field of marketing.

(4) Commodity Grading and inspection and issue of certificates.

(5) Licensing of Warehouses.

(6) Crop-cutting experiments with Chilli and Onion to know the exact area and production for formulating plan in stabilizing prices of these commodities.

(D) AGRICULTURAL RESEARCH

All profitable agricultural practices are to be based on solid foundations of agricultural research carried out in the field grounds of specific regions.

The main object in crop improvement had during the past year imperceptibly diverted from intermediary requirements to final utilitarian basis of unified production, according to plan, with due considerations for such problems as external demands,



In the programme for standardization of weights and measures, over 29,084 local baskets were standardized and many standard measuring baskets mass produced

internal requirements self-sufficiency projects, and the farmer's income with all his liabilities. This change of ideals in crop improvement are as follows:—

Cotton.—From the varieties which give good ginning outturn to varieties which give better staple length.

Oil seed.—From the baskets yield of pods to greater quantity of oil produced per acre.

Sugarcane.—From yield of cane weight to varieties of high percentage of sugar recovery.

Paddy.—(a) From long-lived paddy varieties (which had suited the heavier rainfall areas) to medium and short-lived-varieties for the purpose of double cropping.

(b) From ordinary multiplication of glutinous rice to the varieties improvement by isolation and selection.

Exotic Varieties.—Extensive introduction of new varieties of crops during the year and field scale trials in suitable areas.

Chemical Fertilizers.—General recommendation stage has been reached based on responses in different areas.

XK-1 *Panthitsa* is a hybrid between Japanese *Aikkoku* and *Kamakyi*. The yield is slightly lower than *Kamakyi* but the quality of rice is very good and comparable to Japanese *Aikkoku* and *Norin*. Its life period is 173 days and can be widely cultivated in all the medium-lived paddy tracts.

XF-13-12 and IRC F 9-5 are comparable to the American Zenith in size and quality. The yield is far better than their indigenous strains *Shan-Nyein* and *Shwechegyin*. They can compete not only with the American Zenith but also with Japanese rice.

XF-13-9 has the same life period as *Shwepu* but the yield is significantly better and therefore can replace *Shwepu* in second cropping area.

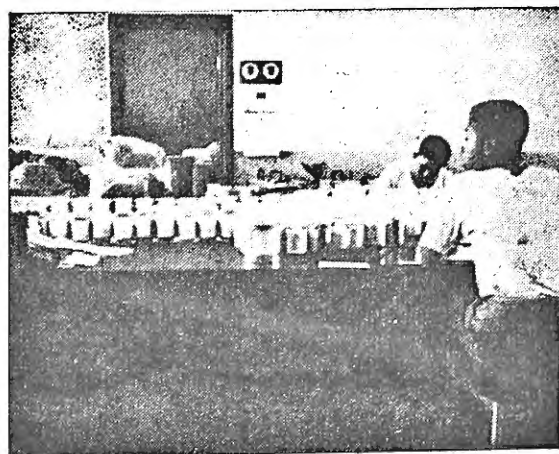
Among the early *Meedon* groups IRC F 9-32 is superior in yield and quality to popular *Khayangya*. In medium *Meedon* groups XF-13-24 is also superior in both yield and quality to *Myasein*. In late *Meedon* group IRC F 9-75 is significantly better in yield than popular *Ngakywe* (D 25-4).

Acre yield data of above strains are given below:—

No.	Name of strains.	Per acre yield in lbs.
1. XF 13-12	3,270
2. IRC F 9-52	...	3,260
3. <i>Shan-Nyein</i>	...	3,085
4. <i>Shwegyigyin</i>	...	3,085
5. XF 13-9	...	3,700
6. <i>Shwepu</i>	...	3,060
7. IRC F 9-32	...	3,500
8. <i>Khayangya</i>	...	2,700
9. XF 13-24	...	4,500
10. <i>Myasein</i>	...	3,600
11. IRC F 9-73	...	3,630
12. <i>Ngakywe</i>	...	3,073

In the above yield trials, 200 lbs. Ammonium Phosphate are applied.

1. *Cotton*.—Out of 47 foreign varieties long staple cotton, only 6 strains are found to be resistant to pests and diseases. They are Tino-5, Tino-3 B/C 68, Deltapine, M-4 and Tino-9.



Qualitative analysis of paddy; Research Institute, Gyogon

2. *Sugarcane*.—Attempts are being made for the selection of early, medium and late varieties of sugarcane.

3. *Virginia Tobacco*.—Since Virginia tobacco can be grown on fertile soil and can be exported, research works with respect to the selection of disease-free varieties are in progress and it is anticipated that pure seeds can shortly be distributed to tobacco growers.

The varieties under selection and multiplication are (1) Harrison Special, (2) Chatham, (3) American-54 (4) H.V. Special.

4. *Fertilizer Experiments*.—Experiments, with various kinds of fertilizer are being conducted to find out the most suitable fertilizer for each crop at what levels and at what times. Reliable results have been correlated for the recommendation for field scale application by the cultivators.

5. *Control of Pests Diseases*.—While better varieties and methods of cultivation, are tested as basic improvement of production, diseases and pests always frustrate our efforts and appropriate measures are, during the past year, more effectively adopted.

A Pest and Diseases Control Squad fully equipped and ably manned is kept in each district. Insecticides and fungicides, valued at about K 4,50,000, were bought and stocked during the year for ready use by the squads.

(E) AGRICULTURAL RESEARCH INSTITUTE, GYOGON

Besides the normal activities of this Institute the following which are of special interest may be briefly mentioned.

With a view to obtaining a new erect paddy strain with short-stiff straw for facilitating mechanical harvesting, a modern method involving radiation has been tried. Some samples of Burmese paddies irradiated in the USA were planted during the last rainy season. They have now been harvested and are now being studied in detail.

With the expanded agricultural activities in various parts of Burma, this Institute has undertaken analyses of samples of soils, paddy seeds, straw and oil-seeds from those experimental areas totalling 697 in 1958 and 1,162 in 1959.

A start has been made in December 1959 to study the hydrocyanic acid content of commercial samples of Burmese beans for export.

Ramie is a valuable fibre which can be used for different applications in textile and woollen industries and which can be exported and is also suited to the climatic conditions of Burma for its cultivation. This Institute has already grown this variety of fibre plants for distribution for expansion of its area.

As extensive cultivation of straw mushroom holds good prospects for Burmese farmers, officers of this institute in co-operation with the two Thai experts are arranging for this drive in the coming summer.

II. Department of Forests

The operations of the Forest Department regarding improving the forest estate, controlling soil erosion, maintaining catchment areas and the harvesting measures like girdling of teak, marking of teak for extraction, selection marking of hardwoods for extraction are of course, first planned in the office, but of necessity are carried out in the forests. If, however, such places become or are infested with unruly elements, work is possible only in the patches free from disturbances or not at all in places where they prevail.

This state of affairs has not been satisfactory and the net loss to the country in terms of the lack of required cultural attention to the forests and the falling-off of the tonnage of teak and hardwoods extracted from the forest is not small.

During the period under report, the formation of the Solidarity Associations, the

Village Defence Organizations, the various tactical operations made by the Armed Forces and the help and co-operation offered by the local military authorities in the shape of armed escorts, flash operations and sustained moral support have made it possible for the Forest Department not only to expand and increase their operations, but also to open up many areas hitherto left unattended and unexploitable.

(A) GIRDLING

Girdling of teak is an operation which requires a party of forest officers and subordinates camping out in places well away from the general population, together with the required number of labourers recruited from over a wide area. If the district is not tranquil and peaceful, camping out and accumulation of labour becomes a real problem if not absolutely impossible.

Villagers have been and are in some places still molested for co-operation with the government, and girdling parties themselves have often in the past been accosted, threatened and more often than not driven out leaving the work uncompleted and sometimes losing the lives of their comrades.

Such a state of affairs has made it extremely difficult for the department to be able to achieve the target of about 200,000 trees per annum which is the sustained yield of teak for the whole country.

However, it was fortunate that the stock of forest girdlings accumulated over the years at about 1,150,000 trees on November

1, 1958, was still available for extraction, so that the target set for each year's girdling had to be adjusted accordingly in order to keep pace with the capacity of the extraction agencies.

Nevertheless, the main target will have to be worked up to as and when the extraction agency is able to and conditions improved.

The targets set forward each year however, were attained after much labour, sweat and risk of human lives but not quite in the pattern that the department would have desired.

During the period under report, co-operation of the local military authorities in many forms have brought about conditions more congenial for the girdling operations. Places in which no girdling of teak has ever been done since 1941, such as North and South Pegu and Tharrawaddy Forest Divisions are now on the list for the girdling of teak and officers are already out in the field. The targets set for these three divisions are twenty thousand, ten thousand, and twenty-one thousand and three hundred trees respectively.

The availability of three more forest divisions for the girdling of teak may appear trifling to a casual observer but if one were to study the distribution of ripe and mature girdlings from the position of the extraction agency it becomes clear that such trees should be well distributed according to the lines of extraction available to him in the form of roads, streams and railways and also in the disposition of his animal power.

Period		Target Trees	Girdled Trees	Percent	Tonnage measured
1-11-57 to 31-10-58	...	199,450	194,963	98	178,901
1-11-58 to 31-10-59	...	100,894	† 91,043	90	236,942
1-11-59 to 31-12-59	...		* † 35,376	...	* 87,918

* Works in progress.

† Excludes green fellings.

The total tonnage available in any one year concentrated on any one line of extraction is of no benefit to him or to the country.

(B) GREEN TEAK

The past few months saw a new development in the form of an increasing demand for green teak logs to manufacture veneers. As a concession to the trade the Department had to organize at short notice the marking of teak trees for green felling.

This operation has to be synchronized with the normal girdling of teak because of the facilities provided by the local military authorities and in order to stick to the provisions and prescriptions laid down in the working plans.

The Department is watching the development of this trade very closely in order to protect the reputation of Burma teak as normally green teak is not allowed in the market.

The estimated number of trees for the period under report is seventeen thousand three hundred and ten.

(C) MARKING OF HARDWOODS FOR EXTRACTION

The selection marking of hardwoods is aimed at improving the forest estate and the turning out of considerable tonnage of hardwoods both for internal consumption and export. It will be clear, therefore, to see that any restriction in this activity will not only result in the scarcity and resultant increase in the price of hardwoods for local consumption, but also timber for the export market.

In the past, the prevailing price of hardwoods has been consistently high. Extraction has been haphazard and in some way or other unruly elements have been able to exploit the people engaged in this work. Better conditions, naturally, eliminated the burden in the jungle, so that it was possible to selection mark more trees over a wider area and see a decided drop in the market prices of hardwoods. As before, areas in which hardwoods extraction was never possible became available for extraction.

Period	Tonnage marked for felling.
1-11-57 to 31-10-59 ...	511,888
1-11-58 to 31-10-59 ...	557,426
1-11-59 to 31-12-59 ...	13,533

period under report.

* Work in progress.

	B.G.		M.G.		N.G.		Specials		Total tonnage
	Nos.	Tons	Nos.	Tons	Nos.	Tons	Sets	Tons	
Burma Proper	118,860	7,428.75	143,027	4,290.81	70,208	1,535.80	494	3,453.47	16,708.83
Karen State ...	26,506	1,656.62	27,559	826.77	13,530	295.96	25	174.77	2,954.12
Total ...	145,366	9,085.37	170,586	5,117.58	83,738	1,831.76	519	3,628.24	19,662.95

The following shows the total actuals shipped during the period under report:—

B.G.	M.G.	N.G.	Specials	Total tonnage	Value
Nos.	Nos.	Nos.	Nos.		K
1,42,103	1,68,592	81,757	36,020	19,323.45	77,37,805

(D) INDIAN RAILWAY SLEEPERS

The Department also played a very substantial part in enabling the Government to fulfil the contract with the Indian Government for the supply of railway sleepers.

Forest areas were selected in consultation with the local, civil and military authorities and the Forest Department marked the trees to be felled and organised the extraction and conversion into sleepers.

The sleepers produced were then inspected and passed by members of the Department before they were railed to Rangoon. Before being shipped from the port these sleepers were again inspected by the Forest Department in conjunction with the State Timber Board.

(E) LONG-TERM LEASES

Generally the extraction of teak or hardwoods is done by short-term (1-2 years) lease holders in places more or less close to the ordinary lines of communication. Forest areas situated in the more remote places should be worked on a reasonably long-term basis to enable the extraction agency to plan well ahead.

During the period under report tenders to work teak on ten-year leases were called

for in areas in Thaton-Ataran-Kado and three each in Thayetmyo and Pa-an Forest Divisions.

Meanwhile preparations are underway to put up forest areas for five, ten and fifteen-year leases for the extraction of hardwoods.

(F) SUPPLY AND PRICE CONTROL OF TIMBER AND FIREWOOD

The period under report also saw the Department playing an active part in conjunction with the War Office in providing timber at the lowest possible price to the people who had to be resettled in the new satellite towns outside Rangoon.

Here again Divisional Forest Officers working in conjunction with the local military authorities were able to see that timber came forward promptly from the forest areas to the mills and to Rangoon in the shortest possible time.

Normally the creation of the satellite towns and movement of the population at short notice, thereby creating a heavy demand in timber, would invariably result in a steep rise in the prices. And it did, before the forest operation was able to arrest it. The following statement briefly summarizes the timber supply.

Timber handled for the project

Purpose	Purchased and railed					
	<i>In-kanyin</i>		<i>Pyinkado</i>		Total	
	Tons	Amount	Tons	Amount	Tons	Amount
		K		K		K
Okkelapa New Town	4,322	7,71,277	275	87,767	4,597	8,59,044
Thaketa Bridge ...	...	...	193	60,574	193	60,574
Rangoon Supply ...	1,979	3,23,635	2,031	6,45,770	4,010	9,69,405
Grand Total ...	6,301	10,94,912	2,499	7,94,111	8,800	18,89,023

The City of Rangoon has to depend to a large extent on the Delta forests for the supply of fire-wood to her general population since the early days. With the increase in the population and the lack of tranquillity in the delta areas the supply of fuel-wood was never up to what it should be and the price was steadily rising.

Working in co-operation with the War Office the Department was able to bring about the appearance of a second fuel-wood extraction camp in the Delta with security and other facilities provided by the army. This meant that more forest areas were opened up for fuel-wood extraction and the steady increase in the arrivals of fuel cargo boats in Rangoon not only helped to bring down the price but also to stabilize it at a reasonable level.

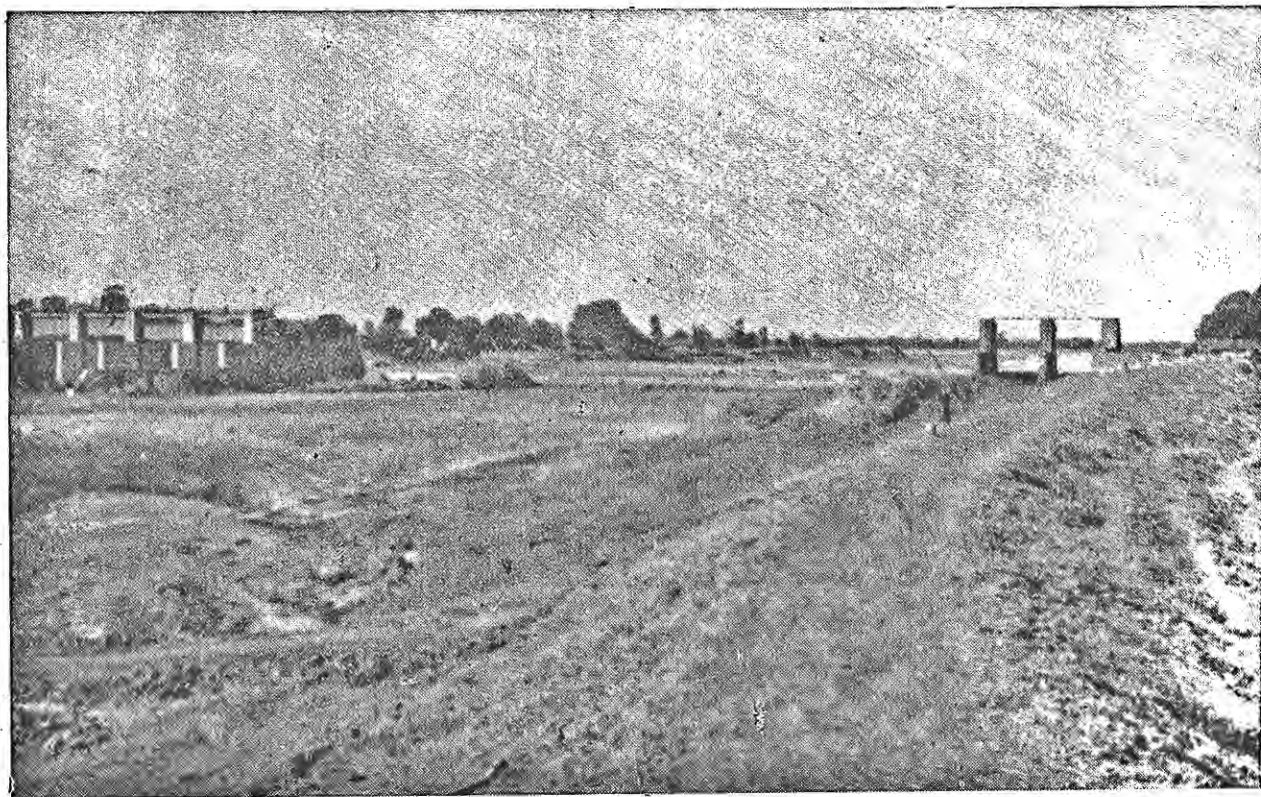
<i>Period.</i>	<i>Royalty collected.</i>
	K
September 1957 to October 1959 ...	2,23,147
November 1958 to December 1959 ...	2,86,972

(G) PROTECTION

(a) *Wild life.*—Burma as a Buddhist country should take a leading part in the protection and preservation of her fauna. The formation of game sanctuaries and the promulgation and enforcement of the Wild Life Protection Act were the highlights of the activities of the Forest Department before the deterioration which set in after the Second World War.

Sanctuaries were invaded, wild life desecrated and forest laws flouted, so that wild life had a very unenviable time. The increase in the number of illicit firearms was also responsible to a large extent in destroying valuable wild life.

The Department's effort to bring about better conditions met with little success until recently. The Pidaung Game Sanctuary, the showpiece of the country, is now managed by a committee which includes the army authorities of the district thus bringing about the requisite conditions for the rehabilitation of this sanctuary. It is pleasant



Repairs completed at Kabo Head Works

to report that the population of wild life in this sanctuary is on the increase.

More, it was possible with the help of the military authorities to inspect and found a new sanctuary in the Chin Hills, namely the Kyaukpandaung Sanctuary. With regard to the position of the general wild life of the country a survey is underway and in the course of its work the party was able to reach the top of Saramati, one of the highest peaks in Burma, collecting useful botanical and zoological specimens.

(b) *Forest Offences*.—It would be idle to say that the Forest Department has been able to fully protect the forest under their charge from the depredation of man in a time when the countryside is far from being peaceful.

However, the tactical operations offered by the military authorities and joint patrols in the notorious places have been effective in seeing that encroachments into reserves were promptly evicted, theft of timber and forest produce brought to book and notorious organizations brought to light to be broken up.

(H) FORESTS

It would not be out of place to mention here that the dust-bowl situated in the Dry Zone of Burma has been extending gradually. Measures to reafforest the area were taken by the Agricultural and Rural Development Corporation with members of the Forest Department doing the actual work.

This work without doubt went straight to the point of dislocating the habits formed by the rural population with regard to their agricultural habits so that a large measure of support from the military authorities was essential and readily given. It would have been a long task to follow up with afforestation while the dust-bowl extended ahead with the ingrained habits of the people.

Then as a counter measure the Department working with the support of the military authorities stopped the burning of charcoal in the area on the fringes of the Dry Zone, thus arresting the depredation caused by the uncontrolled extraction and encroachment of the dust-bowl.

In any country the main objective of intelligent land use has always been a proper assignment of the different land areas for agricultural, pastoral and silvicultural uses so that proper control becomes essential if the maximum benefit is to be derived from the land.

Hitherto the area under direct control of the Forest Department covered approximately 71 *per cent* of the total land area of the Union. Through the encouragement and co-operation given to the Department it has been possible to take preliminary steps for increasing this area under control in the Kachin, Shan and Kayah States, which will bring the total area to 97 *per cent*, leaving only part of the Naga Hills District to be brought under control.

(I) ROADS

The forests of this country are generally not so well provided with good all-weather roads for the extraction of non-floating timber; and we cannot claim that our forests have been worked to capacity. The main lines of communication in this country have been more or less north and south, so that vast areas of forest tracts are left in between.

In addition to working on the departmental road programme for the construction and metalling of access roads for the expanded extraction of hardwoods, the period under report saw the commencement of all-weather roads running from east to west across and through the most productive forest reserves of the Pegu Yomas.

Working in conjunction with the Highway Department and the Army, the Forest Department will soon see all-weather roads running from Toungoo to Prome and from Taungnyo to Taungdwingyi across the Pegu Yomas, tapping some virgin forest areas never before worked for hardwoods and also making it possible for the extraction of green teak logs from the remote places. Parts of these roads have already been metalled and work progresses on the others.

The construction of these roads would never have been possible unless unruly elements in these areas had been rooted out.

(J) WORKING PLANS

The forests under the charge of this Department are all worked under sanctioned working plans, but the plans written for each forest division require to be revised and brought up to date from time to time or when the period expires in order to bring them in line with changes in the pattern of the local demands, and arrears of work owing to changing circumstances.

The work of revising the plans for all forest divisions were completed during the period under report.

However, for the Karen State and Chin Special Division which never had separate plans of their own, it has been possible to inspect and complete the writing up of schemes for working the forests.

A feature of the activities of the Working Plan revision is the constitution of a new Working Circle mainly for protection—the Catchment Area Working Circle—in a good many plans of forest division placed in the headwaters of important main streams especially in the Dry Zone areas.

Places like the Thitson Dam area in Yamethin Forest Division; the Mondaing

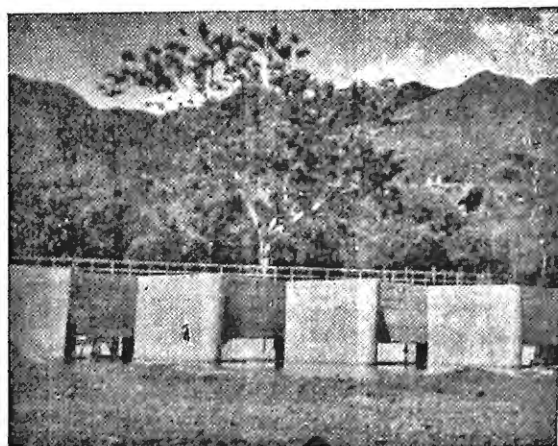
Catchment in the Meiktila Forest Division, the climatic reserves of the Chin Hills and the Maymyo Forest Divisions are now being worked with the object of not only conserving the forests but also for the effect it has on the water supply.

The public has had a startling demonstration of the disastrous effect of the lack of forest cover due to shifting cultivation by the drying up of the Thamada Lake in Maymyo. As a result of this the Army became so forest conscious that even high ranking army officers were made responsible for protecting certain forest areas by the Commanding Officers.

(K) PUBLICITY

The Department took an active part in the World's Agricultural Fair held at New Delhi by helping in the erection of the Burma Pavilion of teak exhibiting timber and forest produce of commercial possibilities with the idea of stimulating interest and trade enquiries from oversea visitors. Pamphlets describing the forest produce and timbers were distributed.

It is worthy of note that the Burma Pavilion was one of the few to truly present the Agricultural and Forestry aspect of the Fair.



Kinda Head Regulator (view from front)

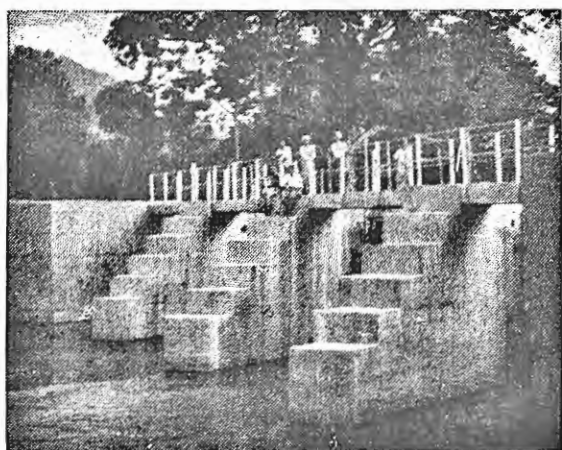
III. Irrigation Department

The activities of the Irrigation Department may be summarized broadly into three classes, (a) Maintenance and Repairs of existing Irrigation and Protective Works, (b) Repairs and improvements to Village Irrigation and Protective Works and (c) Construction of new Irrigation and Protective Works. In all these fields there has been good progress achieved during the period under report. Some of the larger works carried out in this connection are described briefly below:—

(1) *Kabo Head Works*.—This Head Works was extensively damaged by an unprecedented flood in 1956 when four large Undersluice Gate Structures, 80 feet of the Weir and the Shwebo Canal Head Regulator were completely destroyed and washed away.

This disaster was considered as a national calamity as over 300,000 acres of irrigated land was dependent on this Head Works; and, hence the highest priority was given to its reconstruction.

The major permanent repairs were carried out during the period under report and in spite of dispensing with the services of the foreign Supervising Engineer, the reconstruction work was very satisfactorily completed in April 1959, well before the



Kinda Head Regulator (view from back)

flood season, thereby ensuring irrigation facilities to the land dependent on it.

The work was a major undertaking costing over K 200 lakhs and its completion in good time may be considered as a commendable achievement.

(2) *Kinda Head Regulator*.—The Kinda Head Works of the Panlaung River System in Kyaukse District is an inefficient obsolete structure requiring the annual unsilting of the Kinda Canal as well as making water distribution a difficult task.

As a result, unnecessary expenditure has to be incurred annually on unsilting works; whilst the Kinda Canal, which feeds 42,000 acres is unable to function satisfactory.

The need for remodelling this irrigation works has long been felt; and, for the satisfactory irrigation of not only this area under the Kinda Canal, but of all the 70,000 acres dependent on the irrigation works of the Panlaung River System, a new Canal Head Regulator, scouring Undersluice Gates Structure and the remodelling of the old weir is required.

During this period, the first stage of improvements in the construction of the Head Regulator of modern design using steel sheet piles and Reinforced Concrete with steel sluice gates, at an estimated cost of K 10.7 lakhs has been fully and satisfactorily completed. It is the intention to continue the other stages of improvement in order to have a modern up-to-date Head Works at Kinda.

(3) *Kinmundaung Head Works*.—This is a small new project in Taungdwingyi Subdivision of Magwe District for the supply of irrigation water to 5,000 acres by the construction of a modern permanent masonry diversion weir across the Kinmundaung *Chaung*, the construction of the two head regulators and scouring sluices and the excavation of two canals.

The work which cost K. 305 lakhs was satisfactorily completed during this period under report.

(4) *Minywa Se*.—There are many Village Irrigation Works which had been repaired, improved and constructed for the provision of better irrigation facilities to the cultivators. In this sphere of activities, more priority has been given during this period under report, to the more deserving areas such as Myingyan, Pakokku and Monywa Districts.

It is not possible to mention the works carried out in this connection; but a typical one is the work carried out on *Minywa Se*. An old irrigation work located near Minywa Village in Ayadaw Township, Monywa District, was originally constructed pre-war from the Commissioner's discretionary grant, but soon failed after its construction and left unrepaired, as it was beyond the means of the cultivators to repair it.

This *Se* was thus abandoned for many years. When the insurgents were driven out of the area by the Army, the serious lack of water in the locality was brought to the notice of this Department. The area was inspected by Senior Officers, investigations and surveys initiated, and with the co-operation of the Army and use of heavy earth moving machines the *Minywa Se* was satisfactorily completed in a matter of months, thereby ensuring ample water for domestic purposes as well as providing irrigation facilities to about 3,000 acres.

(5) *Pump Irrigation Project*.—There are vast stretches of land lying along banks of rivers in Burma where agriculture could be greatly developed if irrigation facilities can be provided. Unfortunately provision of gravity irrigation in these stretches is not feasible. To explore the possibilities of providing irrigation facilities to these areas by lift irrigation a pilot

pump sprinkler Irrigation Project was implemented near Nyaung-U in Myingyan District.

The scheme which consists of a pump pit, pumps and delivery pipe lines, aims at utilizing the waters of the Irrawaddy River to irrigate about 1,500 acres of land in one of the driest areas in Burma. The work was completed and the system commenced functioning in August 1959. As the success of this pilot scheme will have far reaching results, it is considered to be a very important undertaking.

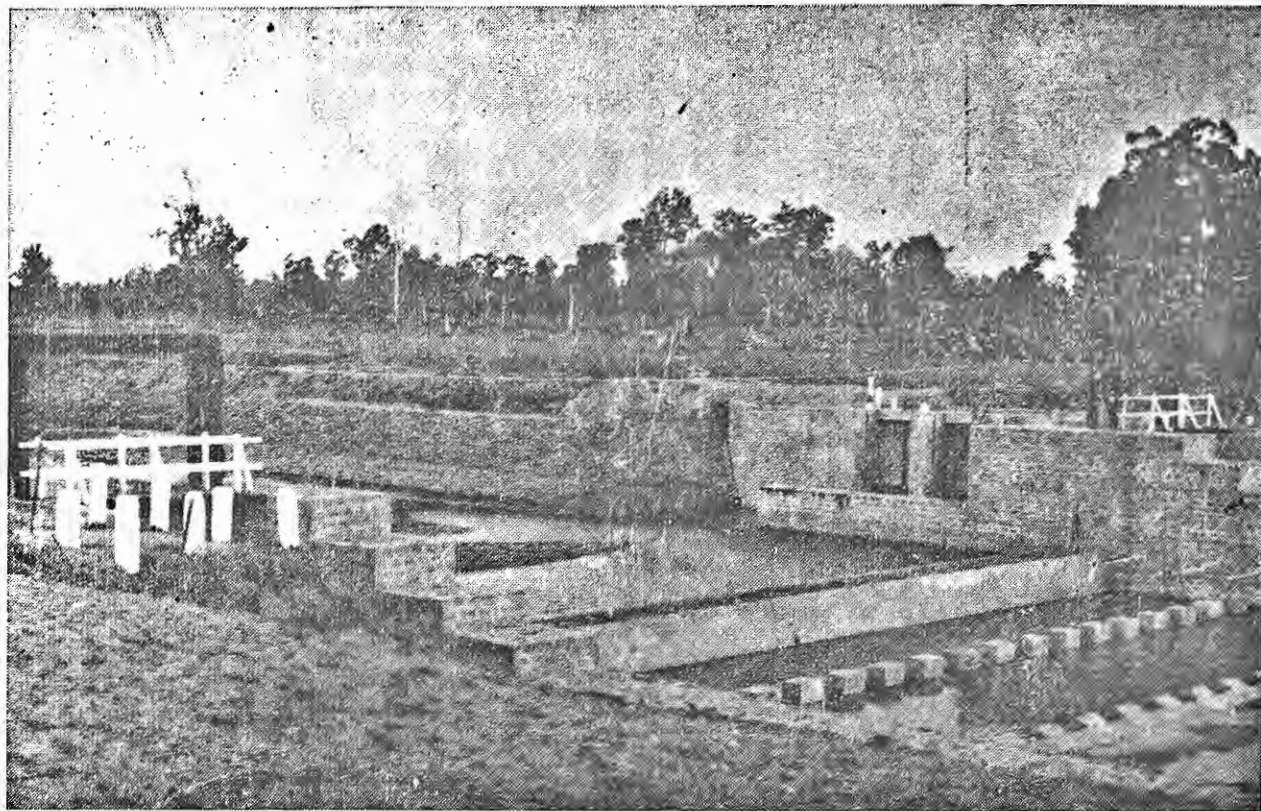
The operation and use of this sprinkler system is being carried out under the supervision of Israeli specialists in order to obtain results as expeditiously as possible.

(6) *Modulating Reservoir for Meiktila Lake*.—Due to irresponsible cutting of trees in the Mondaing Chaung Catchment of Meiktila Lake over a period of several years for use as fuel as well as clearing areas for cultivation, the major portion of the catchment area is, at present, barren of trees.

As a result, severe denudation of land in the catchment area has taken place and the heavy silting up of the Meiktila Lake. In spite of raising the Full Tank Level of the lake by raising its banks, it is feared that the heavy siltation will, within a few years, reduce its capacity excessively and greatly reduce the area that can be benefited from it.

To solve this problem, the construction of a modulating reservoir on the Mondaing Chaung is being actively investigated and several check dams constructed and the cutting of trees in the catchment area totally prohibited.

This Modulating Reservoir when completed will greatly reduce the entry of silt into the Meiktila Lake as well as provide additional storage to augment supplies



Kinmundaung Head Works

to the Lake when required. This scheme is considered important as Meiktila Lake was first constructed many many years ago and has become an important landmark of Central Burma and thus its continued usefulness is extremely desirable.

(7) *Thitson Dam Project.*—The most significant major irrigation work being attempted by Irrigation Engineers since the war is the construction of the Thitson Dam in Yamethin District. The investigation, surveys and designs had been completed in 1957-58, but its implementation only commenced during the latter half of 1959.

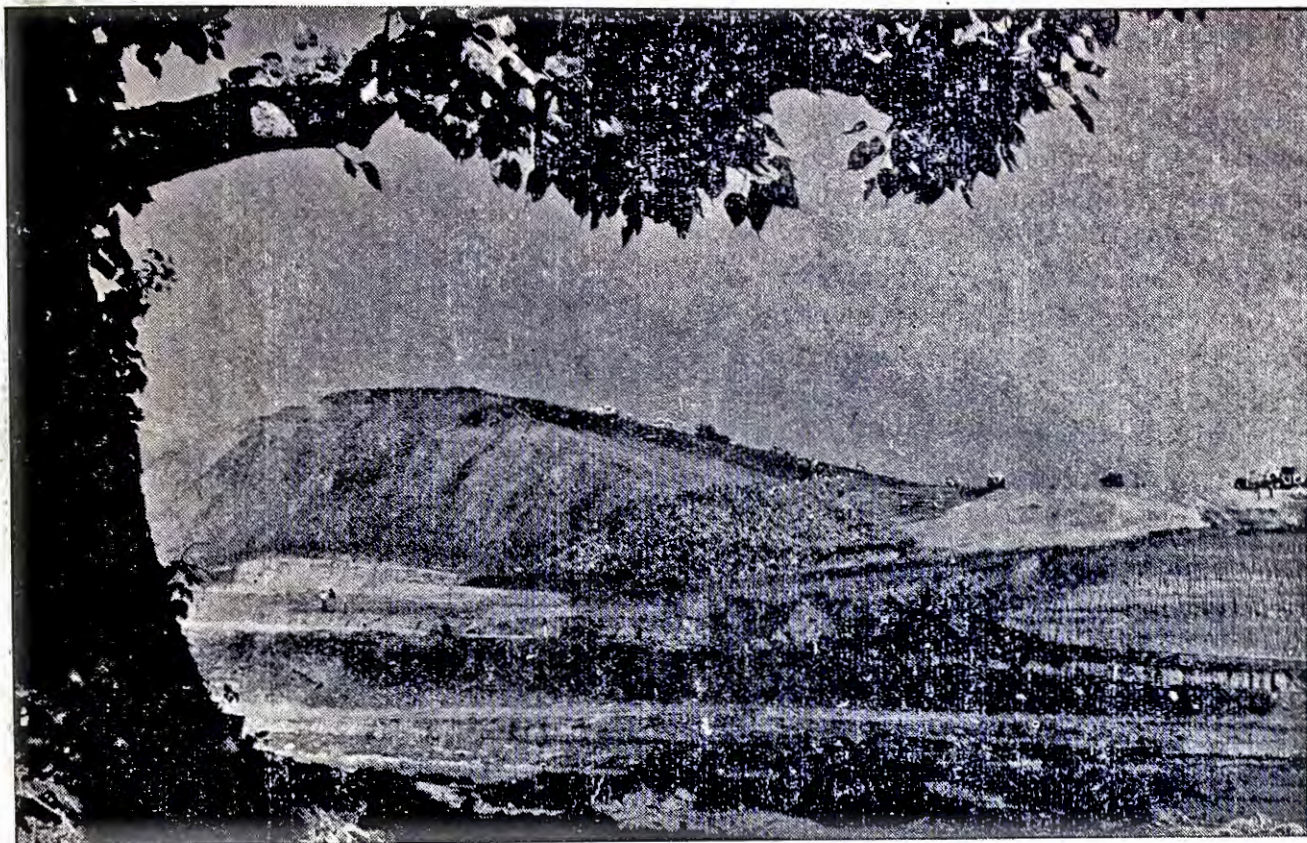
It is an ambitious undertaking made possible only as heavy earthmoving machines and other modern construction equipment have been made available. The work consists of the construction of an earth filled dam, 80 feet high, and 3-4 mile long, across the Thitson *Chaung*, which will create a reservoir of capacity 47,000 square feet forming a lake having a water

spread of about 4 square miles and a maximum depth of nearly 60 feet.

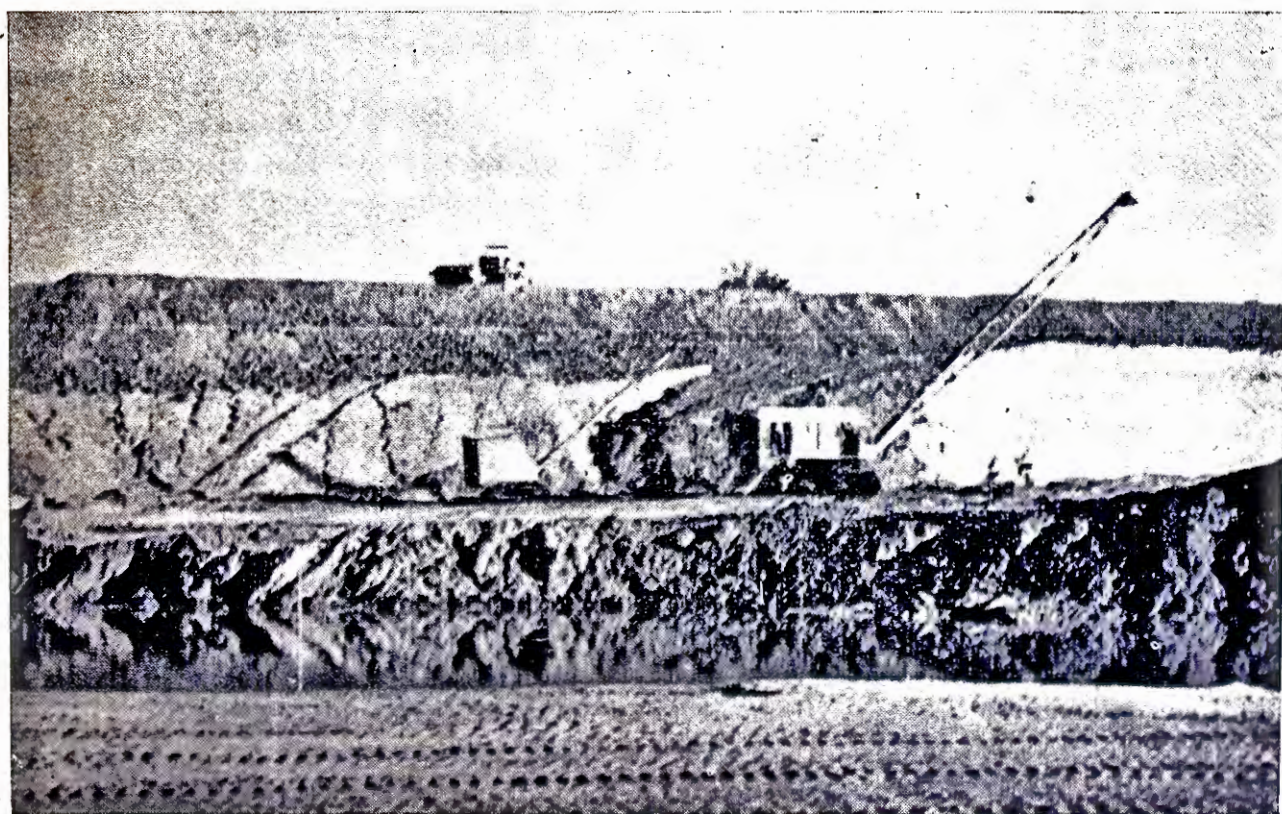
This project is expected to be totally completed during 1960. During the period of report about 40 per cent of the work has been completed. On completion, it is expected to irrigate about 16,000 acres of one crop followed by a second crop on 12,000 acres.

The cost as originally estimated is K 68 lakhs, but it is hoped to effect some savings and reduce this cost considerably.

(8) *North Nawin and Dayindabo Projects.*—A preliminary investigation carried out in 1957 revealed attractive possibilities of irrigation in the North Nawin and Dayindabo areas in Prome District. The pursuance of these Projects was held in abeyance for many reasons but now a decision has been made to commence with the detailed investigations, surveys and final design of the Projects.



Thitson Dam Project in the Yamethin District



Works proceed on the Thitson Dam Project in Yamethin District

IV. Veterinary Department

Before recounting some of the notable achievements attained by the Civil Veterinary Department during the period under report, it would not be out of place to repeat that as a country, where 80 per cent of the people depends upon agriculture the working power of cattle and buffaloes is highly essential. The maximum utility of cattle and buffaloes can only be achieved when they are in good health and free from diseases.

The Civil Veterinary Department takes the responsibility to maintain the working animals in good health. Agricultural products keep the country in sufficiency where food is concerned and what surplus there is fetches national income. Thus the Department, in its own way, plays indirectly, a part in the national economy.

To give another illustration as to how the Veterinary Department plays its part in the national economy, it would be most fitting to consider the case of a cattle disease, Rinderpest, which was once prevalent in Burma and is still prevalent in countries lying immediately east and west of Burma—Thailand and East Pakistan. The disease is a highly contagious disease which can kill as much as 80 to 100 per cent of the livestock.

Preventive measures taken by the Department by wholesale vaccination has been so successful, that not a single case has been reported in Burma during 1958-59, whereas the conditions in the neighbouring countries being much deteriorated.

The total number of cattle and buffaloes in Burma is 6,000,000 (six million). Assuming that this disease was not under control in this country and that 10 per cent of the total cattle is killed, the number then would be 600,000 (six lakhs), and the average cost of each animal is, say, K 100 the loss would have been K 6,00,00,000.

The Bogyoke Government has spared no pains in dealing with lawlessness and lawless elements. With the restoration of law and order, it has been possible to reach even areas, formerly inaccessible.

The veterinary staff have been able to extend their immunization programme in many districts, as will be seen from the following:

Rinderpest vaccination

<i>Year.</i>		<i>Number of animals vaccinated.</i>
1956-57	...	658,905
1957-58	...	991,665
1958-59	...	1,066,565

Haemorrhagic Septicaemia vaccination

<i>Year.</i>		<i>Number of animals vaccinated.</i>
1956-57	...	104,576
1957-58	...	153,761
1958-59	...	196,314

In addition to extensive vaccination, the members of the field staff have also taken the pains to hold discussions with the villagers on the early detection of ill-health and diseases, livestock disease control rules and breeding of livestock in the villages.

Although the census figures show an apparent increase in the number of cattle and buffaloes in Burma, a closer examination would reveal that through lack of planning and to let the cattle mate at random the breed declined. Some are not suitable and cannot be utilized for ploughing or drought purposes. Such animals are seen in most villages grazing in the open throughout the working season leaving less grazing ground for working animals.

The amendment of the Cattle Slaughter Prohibition Act during the Bogyoke Government brought a welcome change to the situation. The slaughter of animals unfit for work or breeding has certainly solved the question of undesirable and unwanted stock, while on the other hand sufficiency of fodder is also assured for the working animals.

Vaccines	Unit	1957-58	1958-59
1. Rinderpest vaccine for cattle and buffaloes	c.c.	1,160,750	1,375,900
2. Haemorrhagic Septicaemia vaccine for cattle and buffaloes.	c.c.	2,397,500	2,607,350
3. Anthrax Vaccine for cattle, buffaloes, horses, mules and elephants.	c.c.	443,600	448,250
4. Black Quarter vaccine for cattle and buffaloes.	c.c.	194,750	226,600
5. Swine Plague for pigs	c.c.	7,224	84,600
6. Hog Cholera vaccine for pigs	c.c.	7,224	11,275
7. Ranikhet vaccine (Mukteswar strain for poultry).	c.c.	98,600	178,200
8. Ranikhet vaccine (Weybridge strain) for imported birds.	c.c.	84,300	158,075
9. Fowl-pox vaccine for poultry	c.c.	55,800	79,000
10. Rabies vaccine for dogs	c.c.	2,513	6,425

Thus the amendment of the Cattle Slaughter Prohibition Act has made illicit slaughter unprofitable, provided cheap, wholesome meat to the masses, promoted good breed and to some extent provided sufficient fodder for the useful livestock.

In addition, a substantial amount of bone is available to be processed into bone meal for use as fertilizer. Cattle and buffalo-hide, another by-product has revived the hide industry within the country, while surplus is also available for export.

The quantity of hide exported during 1958-59 was 53,247 pieces while there was no export at all for the corresponding period in the previous year.

The Veterinary Research Laboratory at Insein has in addition to routine work been able to manufacture vaccines for livestock. The demand for vaccine has risen remarkably with the restoration of better conditions in the country, and a larger amount has had to be manufactured. The registration of dogs within the municipal limits of Rangoon together with the requirement that the animals be vaccinated against rabies has also caused an increase in the production of the latest type of rabies vaccine from the laboratory.

At present, the Department is still understaffed but it is likely to increase the

staff so as to have more effect. In the past very few people knew as to how the Veterinary Department had contributed towards the country's welfare, with the result that very few take interest to serve in the Department. But the position today has changed.

A number of private organizations have started poultry and pig farming, particularly after some of the Defence Forces have launched such work. The training of veterinary students is being done at Insein, where a number of trainees from the Defence Services as well as private candidates from the districts have enrolled. The number has increased each year.

Apart from the training of students in Veterinary Science, the Department has also conducted short courses for the headmen of villages, administration officers, members of the Defence Services, in the organization and working of the Department, Contagious Diseases Rules, Animal Management and Breeding.

In co-operation with the Agriculture and Rural Development Corporation, the Department plans to conduct an experiment at Kyauktaga on grassland management with a view to improving grazing grounds in Burma. This plan has been initiated during the time of Bogyoke Government.

V. Burma Salt Revenue Department

With the advent of the Bogyoke Government it has been the policy of the Department to regain direct control over all salt factories, to systematize manufacture and above all to obtain the maximum revenue yield.

The consequent improvement in the situation of the districts has been instrumental in restoring the *status quo* of administrative control which thitherto had been confined to limited jurisdiction. The executive personnel are now being able to visit salt factories in all salt-manufacturing districts of the country.

Plans are underway to reorganize territorial jurisdiction in view of the increased number of factories upon which direct and effective control by responsible officers is a *sine quo non* to safeguard revenue and to encourage Direct-Duty Districts in accordance with the spirit of the Salt Law.

Two model pilot salt factories implemented under the Four-Year Scheme continued their work of experimentation and demonstration to backward licensees to instil in them the idea of manufacturing salt of better quality at reduced costs and also for an exportable surplus.

The continued entertainment of this technical branch limited to stationary or immobile demonstration is under con-

sideration in the interest of the manufacturers of the country.

A great number of anonymous reports and complaints were received during this period and action has been taken against all concerned. Much unpleasantness and foul play of the past were brought to the attention of the higher authorities and drastic action is being taken to right wrongs and redress grievances.

Preventive action and detective duties were well organized against breaches of Salt Law and all law-breakers were severely penalized.

A representative of the Union of Burma Applied Research Institute visited the Amherst Pilot Salt Factory for Salt Bittern required for their magnesium plant.

In another case, an Economist of the Central Statistical and Economics Departments visited the Magyibin Pilot Salt Factory and the neighbouring areas, to collect data for his work on salt economics.

Greater demand of industrial requirement of salt is envisaged on account of Heavy Chemical Industries and the Joint-Venture in soap manufacture.

Revenue collection for the period under report records an increase of about Kyat 4½ lakhs over that of the corresponding period of the past. Essential data concerning the report are indicated as follows:

Items	For period under report	Corresponding period of the previous year	Increase
1. Salt Revenue realized	K 57,17,926.97	K 52,96,990.23	K 4,20,936.74
2. Salt manufactured or produced.	81,848,721(viss)	75,671,289(viss)	6,177,432(viss)
3. Salt cases ...	...	...	...
4. Salt seized ...	170,460(viss) ³²	112,725(viss) ³²	57,735(viss)
5. Undesirable personnel dismissed/dispensed with.	2	...	2
6. Fines and duty realized	K 22,536.32	K 12,208.72	K 10,327.60

VI. Agricultural and Rural Development Corporation

Of the many various projects undertaken by and participated in by the ARDC, main emphasis here will be focussed on the achievements in the following 18 projects during the period of tenure of the Bogyoke Government:

- A. Agricultural Export Management Project.
- B. Increased Rice Production Project.
- C. Jute Project.
- D. Long-Staple Cotton Project.
- E. Groundnuts Project.
- F. Dry Zone Sprinkler Project.
- G. Sugarcane Project.
- H. State Mechanized Cotton Farm Project.
- I. Agricultural Improvement in the States Project.
- J. Animal Husbandry Project.
- K. Forest Projects.
- L. Horticultural Project.
- M. Coffee Project.
- N. Coconut Project.
- O. Mondaing Catchment Area Management Project.
- P. Virginia Tobacco Project.
- Q. Rural Sanitation and Water Supply Project.
- R. Rubber Planting Project.

(A) AGRICULTURAL EXPORT MANAGEMENT PROJECT

Formerly the export licences for the agricultural produce were issued by the State Agricultural Marketing Board.

With the coming of the Bogyoke Government, it was decided to review the then existing system of issuance of export licence for pulses and beans in the light of the changing situation.

Since the attention of the ARDC is focussed mainly on modern improved methods of agriculture and the selection of

essential crops which are capable of drawing in a considerable amount of foreign exchange it was considered more fitting for this task of export to be transferred to the ARDC. It would then also provide the ARDC some useful knowledge for agricultural planning for export.

With this end in view, the ARDC started issuing export licences for pulses and beans (except rice and rice products) since April 7, 1959.

Formerly, with a view to finding fresh markets, non-nationals were allowed to export beans and oil cakes to the Western countries, while nationals were granted full privileges without restrictions.

During the Bogyoke Government, it was apparent that the nationals were lacking in commercial knowledge and wide contact of the world, and hence the continued imposition of restriction on non-nationals would have a great drawback on our earnings of foreign exchange. Consequently, such restrictions were temporarily suspended until such time when nationals could become well conversant with this aspect of foreign trade.

The ARDC has issued the following export licences with effect from April 7, 1959, to December 31, 1959.

Commodity.		Tonnage. F.O.B. value.	
		K	
1. Peas and Beans	...	83,846	2,61,52,032
2. Oil Cakes	...	95,031	2,21,97,293
3. Maize	...	15,750	21,10,975
4. Others	...	16,542	22,98,986
5. Dried Chillies	...	7,465	1,11,05,495
6. Potatoes	...	2,800	17,25,926
7. Jute	...	650	5,67,500
8. Cotton	...	3,304	62,82,186
9. Raw Rubber	...	3,651	63,50,405
Total	...	229,039	7,87,90,798

During the previous regime the export of rubber was the Rubber Export Corporation's monopoly. Now, a keen competition has been created between the

State-controlled body and private individuals, in order to entail better rubber prices.

The Government also provides incentive for increased rubber planting to prospective rubber planters and in educating them to gain the appropriate commercial knowledge thereby.

In order to prevent the leakage of foreign exchange, the Government has appointed Rubber Agents at Penang, Singapore, West Germany, United Kingdom and USA.

Export of Rubber

1958		1959	
1st January 1958 to 31st December 1958.		1st January 1959 to 31st December 1959.	
Tonnage.	Value in Kyats.	Tonnage.	Value in Kyats.
10,413	2,60,74,961	11,551	3,02,60,302

During the previous regime, the export of cotton was the Wholesale Co-operative Society's monopoly. Now privates individuals are also allowed to export cotton. The following figures indicate the increased sale of cotton:

1958		1959	
1st January 1958 to 31st December 1958.		1st January 1959 to 31st December 1959.	
Tonnage.	Value in Kyats.	Tonnage.	Value in Kyats.
9,113	2,03,24,300	12,411	2,28,90,827

It is also a great pride to the present regime to be able to export dry chillies for the first time in the post-war period. In allowing the export of dry chillies certain precautionary measures had to be taken in order to keep internal prices at a reasonable level.

Export of Dry Chillies

No. of licences.	Tonnage.	Value in Kyats.
121	7,465	1,11,05,495

It had been brought to the notice of the Government that potato-growers were in great difficulties for lack of foreign buyers. To relieve these difficulties and in order to afford them an opportunity of fetching good prices, the Government took the initiative of finding fresh markets through the agency of the SAMB and private individuals. As a result 2,800 tons of potatoes, to the value of K 17,25,926 have been sold abroad.

Great credit goes to the ARDC for its initiation of jute plantation and jute export. Under the supervision of the ARDC 650 tons of jute, to the value of K 5,67,500 has been sold abroad.

Not only due care has been exercised in the export of these agricultural produce, but subsequently also the import of some home-producing commodities such as garlic and betelnut leaves, have been advised to be banned.

Ranwalfia serpentina is a kind of species that have grown wildly and abundantly in siutable areas throughout the Union. As a result of adulteration, there was an indication of a lowering of prices and for less demand by buyers. The ARDC has stepped in to promote an effective drive for the selection and export of the best quality.

The same measure is being taken for the plantation and export of Castor seed.

(B) INCREASED RICE PRODUCTION PROJECT

In implementing the Increased Rice Production Project, the Bogyoke Government, during its very short tenure, has instead of expanding acreage of paddy on cultivable wastes, confined its activities to increasing rice production on—

- (i) reclaiming lands formerly cultivated under paddy, but abandoned for various reasons.

- (ii) increasing yields on lands cultivated under paddy, through provision and distribution of better strains of seeds; provision for fertilizer distribution and application; introduction of more effective methods of farming; provision and distribution of farm implements; services for pest and disease control; and where an insufficient amount of draught power existed, cattle was distributed.

Owing to the emphasis shifting, during the Bogyoke Government towards increased production of paddy, priority for implementation was given to more prominent rice producing districts, although in previous years this project was implemented in 18 districts of the Union, inclusive of Kyaukpadaung and Sandoway.

As a result of such activities it is estimated that the yield of paddy for 1958-59 will be, relatively the highest figure for the last four years according to the following estimates:

Year.	Estimated Produce of paddy.	Estimated Exportable surplus of rice and rice products (SAMB).
	(in tons)	(in tons)
1956-57	... 6,361,800	1,655 In thousand
1957-58	... 5,148,300	1,655 do.
1958-59	... 6,295,700	2,051 do.
1959-60	... 7,116,000	2,216 do.

(1) *Quality Improvement of Rice.*—Together with steps to increase production of paddy, vigorous measures are also being taken for improvement towards the quality of Burmese rice, the reason being the quality of our rice was extremely poor relative to that from other rice-producing countries, with the result that the market became dull and prices declined.

Steps are being taken together with the Agricultural Department to produce the quality of rice required by the World Rice Market.

During the last year emphasis was laid on more production of Glutinous Rice, "Nga-Kywe" and "Emata" qualities of rice, in an attempt to meet the requirements of rice consumers in the world market.

(2) *Glutinous Paddy.*—In the past years transactions in the World Rice Market of Glutinous Rice from Burma were never conducted on an appreciable scale. In order to be able to export Glutinous Rice in the coming year either to Japan or Okinawa, quality seed strains of such paddy were collected, distributed and have been sown in the following districts:

District.	Amount Distributed.	Estimated outturn.
	(in baskets)	(in baskets)
Bassein ...	19,000	570,000
Myaungmya ...	11,000	330,000
Hanthawaddy ...	12,498	434,940
Maubin ...	7,500	235,000
Pyapon ...	10,560	416,800
Total ...	60,558	1,986,740

(3) *"Nga-Kywe" Paddy.*—"Nga-Kywe" paddy is the type of paddy generally consumed by the upper class population of Burma. As of date it has not been offered for sale in the world market.

In order to be able to export this type of rice, on an experimental basis, to foreign countries, good quality seeds of this variety have been collected wherever possible and its expansion carried on in the following districts:

Districts.	Baskets already distributed.	Estimated Outturn (Baskets).
Bassein ...	15,000	600,000
Myaungmya ...	45,000	1,300,000
Maubin ...	13,861	554,440
Pyapon ...	40,000	1,600,000
Total ...	113,861	4,554,440

(4) "*Emata*" Paddy.—In order to compete with Blue Bonnet, Patna and Carolina varieties of rice, which are extremely popular in the world market, measures were taken to grow "*Emata*" through purchase and distribution of 190,475 baskets of such variety in North Tharrawaddy, Prome and South Thayetmyo districts during the current year.

Further, for its successful cultivation, in areas suffering from scarcity of water such as in the Dry Areas of Prome and Thayetmyo, pumps have been provided to pump water from the rivers and streams.

In order to preserve its purity of strains, incentives in the form of premiums are offered so that the cultivator will take measures for weeding and prevention of mixups of different strains.

The incentives offered as encouragement for cultivation and production of various qualities of "*Emata*" offered by the SAMB have been fixed and raised as follows:

- (a) Special variety of *Emata* K 355 per 100 baskets.
- (b) 1st quality of *Emata* K 340 per 100 baskets.
- (c) 2nd quality of *Emata* K 325 per 100 baskets.

For the procurement of *Emata* paddy, the ARDC and the Agricultural Department, as a special project, have taken the responsibility for its grading and procurement which is already underway.

It is estimated that, in the current year, 130 lakhs of baskets of *Emata* paddy will be available for procurement and it is further estimated that out of this 130 lakh baskets, approximately 25 lakh baskets will be suitable to be milled as high grade or quality rice.

(5) *Use of Fertilizer*.—We find that the yields of Burma paddy relative to those of other paddy producing countries such as Japan, Thailand, Spain, Italy and the USA

is extremely poor. Although the acreage paddy in Burma is 10.3 million acres the annual application or use of fertilizer, is only 3,000 to 4,000 tons, as the following Table reveals:

Year.	Imports of Fertilizer.		Locally produced.
	Ammonium Sulphate.	Ammonium Phosphate.	Bonemeal.
	(Tons)	(Tons)	(Tons)
1956-57	... 1,000	1,400	500
1957-58	... 3,000	1,300	1,000
1958-59	... 1,784	2,900	1,500
1959-60	... 8,200	6,340	2,100

A gradual decrease in the yields of existing paddy lands is evident as a result of the soil through successive production of paddy with very small application of manure. Therefore, in order to increase the production of paddy, it is imperative to apply more fertilizer than hitherto.

However it is impossible for the cultivator to purchase fertilizer, its cost per ton being approximately K 400. For if it is so, the returns for the increased outturn of paddy, will not justify the expense of purchasing the imported fertilizer. Hence we find the reason for the Government subsidizing the cost of the small quality of fertilizers it purchased and distributed in previous years.

Arrangements have already been made to import, as indicated in the Table above, three to four times more, in the current year, the quantity of fertilizer imported in previous years. The value of the 8,200 tons of Ammonium Sulphate and 6,340 tons of Ammonium Phosphate to be imported during the current year is estimated at over Kyat 43 lakhs.

Recognizing the need for saving annually over Kyat 40 lakhs of the much needed foreign exchange on the imports of fertilizer, plans have been drawn to build, in the coming year, an Ammonium Phosphate fertilizer plant with a capacity of 80,000 tons annually.

(C) JUTE PROJECT

In Burmese agriculture, the type that predominates is monoculture—a typical example of which is paddy cultivation.

Realizing that an economy being dependent upon a single crop creates a situation which is most undesirable and dangerous, the Union Government has since December 1958 laid down a principle of increasing the production of other agricultural commodities and of diversifying our pattern of agriculture.

The Jute Production Project was implemented in order to:—

- (i) conserve nearly K 4 crores of foreign exchange spent annually on importing gunny bags and jute products, by producing them locally ;
- (ii) be able to trade to the World Jute Market the high quality jute fibres produced in Burma.

During 1958-59 over 50,000 acres of land were cultivated under jute in order to obtain 6,000 to 10,000 tons of jute fibres.

Although 30,000 acres were damaged owing to adverse climate factors, over 2,800 tons of jute fibres have already been purchased. Of this quantity purchased, part of it is of such superior quality that it is too good to be utilized for weaving into gunny bags. Arrangements for exporting such jute have already been made in order to earn the much needed foreign exchange.

To trade jute in the world market it is necessary to establish, conform and meet the packing, classification and grading standards or requirements that are demanded in the international market and work on this aspect has begun since March 1959.

Since May 1959, 464 tons of high quality jute has been exported, the value

received for its exports being approximately K 6,01,900 of foreign exchange and it is estimated that another 600 tons (valued at K 8,00,000) will be exported during the current year.

Since this is the first time that Burmese fibres are being put on the international market great care was exercised on the classification packing and grading of first batch of jute exported to the most important jute marketing centre namely—Dundee of Scotland.

For the purpose of effectively promoting sales of Burma Jute D. Pierie and Company of Dundee have been appointed sole agents in Europe and the United Kingdom.

In addition to raising the quality of Burma jute, to compete effectively in the international jute market, it will be necessary for Burma to—

- (1) lower the costs of processing ; and
- (2) lower the cost of transportation for jute fibres.

Surveys have revealed that there exists large areas of land suitable for cultivation of jute, from the point of view of soil and climate.

It has been found that in certain parts of the Delta triple cropping is practised. This is done through having water pumped before the monsoons and cultivating jute, with paddy during the monsoon season after which winter crops are grown.

Encouragement is being given for the expanded cultivation of jute in order to—

- (1) raise the income of the cultivators ; and
- (2) strengthen the economy of the Union through provision of pumps either on loan free of charge or on a hire-purchase basis for use especially before and after the monsoons for jute and winter crops respectively.

To break the soils which are baked hard before the monsoons, tractors are being used and top priority has been granted for provision of sufficient number of tractors for prominent jute producing districts.

Work has begun at Maubin, Myaungmya, Bassein, Henzada and Toungoo Districts on the procurement and distribution of seeds together with the implementation of the programme to cultivate 95,000 acres of land under jute in 1959-60.

(D) LONG STAPLE COTTON PROJECT

In Burma, cotton is cultivated mainly in Meiktila, Myingyan, Sagaing and Monywa Districts. The staple length being only $\frac{1}{2}$ to $\frac{7}{8}$ inch. These are more suitable for poor quality cloth while for finer textiles the staple length should be 1 to $1\frac{1}{2}$ inch.

Foreign varieties of long staple cotton with good quality lint were tried since before the War. Increased cultivation was never encouraged under the belief that it was difficult to control pests and diseases. Large scale experiments were also absent.

The first textile mill at Thamaing, not satisfied with the local produce, therefore had to import its requirements of lint from the United States and Pakistan.

Further trials of a few varieties of American long staple cotton were conducted in 1954 but expansion of the area was again discouraged because of the fear against pests and diseases.

In 1957, when self-sufficiency became more pressing and chemicals for effective control of pests and diseases were available, 4 selected varieties of long staple cotton with staple length of 1 to $\frac{1}{2}$ inch were

imported from the USSR and tried on 7 acres of land in Meiktila and Kyaukse Districts. The yield of cotton and quality of lint from these tests being more satisfactory than those of previous trials, the experimental area, directly under the control of the ARDC was increased to 620 acres in 1958 in Yamethin, Meiktila, Kyaukse and Mandalay Districts.

Leading farmers were taken round to these large-scale demonstration plots on an educational tour. They were convinced that the yield, in spite of the unfavourable weather and insect damage, was 4 to 5 times better than the local *wagale*.

In 1959, the area worked by the farmers themselves therefore increased to 8,500 acres. Much damage was again done by insects and pests, because of heavy rains, and yet there were farmers whose acre yields showed 300 to 450 viss per acre.

In their attempt to expand the area under long staple cotton the farmers received the following aids :

- (1) Advice on proper cultivation,
- (2) Chemicals and equipment for pest control, and
- (3) Fair price for their produce.

On 1,000 acres of land worked directly by the ARDC, large scale experiments were conducted with 16 selected American varieties with staple lengths of $\frac{1}{16}$ to $1\frac{1}{2}$ inch, besides the four Russian varieties of the previous year. Valuable information to make recommendations to farmers were obtained.

Although the farmers wanted to increase the long staple cotton area to 50,000 acres in the early rains of 1960, it had to be reduced to 30,000 acres after careful selection of the land and the worker was made to achieve best results.

Expansion of area under long staple cotton is shown in the following table:

No.	District			1957 Acres	1958 Acres	1959 Acres	1960 Acres
1	Yamethin	...	...	...	63	1,035	5,000
2	Meiktila	...	...	5	391	4,262	10,000
3	Kyaukse	...	...	2	80	839	3,000
4	Mandalay	...	...	...	86	1,420	3,000
5	Magwe	...	...	...	...	...	200
6	Minbu	...	...	...	...	100	200
7	Myingyan	...	...	...	...	975	4,500
8	Thayet	...	...	...	...	...	100
9	Shwebo	...	...	...	...	1	500
10	Monywa	...	...	...	...	800	3,500
Total				7	620	9,432	30,000

Such rapid expansion of an important crop for the country should be attributed to the spirit, diligence and calculated risks taken as laid down by Bogyoke Government.

The expansion during the previous two years and the plan for 1960 season is shown below:—

No.	State.	1958 Acre.	1959 Acre.	1960 Acre.
1.	Kachin	1,500	3,500	5,000
2.	Shan (North)	6,600	16,290	15,000
3.	Shan (South)	...	19,295	15,000
4.	Kayah	540	650	1,500
5.	Karen	...	1,500	3,500
Total		8,640	41,235	40,000

(E) GROUNDNUT PROJECT

For self-sufficiency in cooking oils and increased production of oil-cakes for export, expansion of groundnut cultivation was encouraged since 1952-53. There was increase in area but the most conspicuous achievement during the Bogyoke Government was in the various States where the ARDC took the responsibility for expansion of the crop.

The above figures show the actual increase over the previous year. Besides ground checking of the increase in area, the increase in production was also studied by taking careful records at railway stations and road check points as shown below:—

No.	State	Increase in 1958 compared to 1957		Increase in 1959 compared to 1958	
		Baskets	Value	Baskets	Value
			K		K
1	Kachin	60,000	4,20,000	100,000	7,00,000
2	Shan (North)	200,000	15,00,000	400,000	30,00,000
3	Shan (South)	...	...	400,000	30,00,000
4	Kayah	8,000	56,000	10,000	70,000
5	Karen	...	...	30,000	2,00,000
Total		...	19,76,000	...	69,70,000

For the above expansion of the crop, the work done by the ARDC includes—

- (1) Systematic distribution of seeds;
- (2) Disbursement of cultivation expenses;
- (3) Assistance by tractors, and
- (4) Price control.

The weather being favourable during these years the yield was good and the price was also good because of the demand for seed from Burma Proper. It should be recorded that the total increase in income to the farmers during the period came up to K 69 lakhs.

(F) DRY ZONE SPRINKLER IRRIGATION PROJECT

Farmers working in Pakokku, Myingyan and Magwe, with scanty rainfalls and exhausted soils, are very poor because of their crop failures. The Irrawaddy passes through these areas, but because of the inability to make use of the water 500,000 acres of cultivated land, left to the mercy of unfavourable weather, remained poor.

Services of Israeli advisers, noted for making the desert green and productive, were obtained in 1958, and pilot large-scale test plots were opened as follows:

- (1) 175 acres of land at Sebank near Popa. Sprinkler irrigation with gravity water from Yedin and Ye-ngan springs. First cultivated during late rains of 1958.
- (2) 1,300 acres of land at Nyaungoo. First cultivated in the late rains of 1959 with pumped-up water from the Irrawaddy.

For economic use of water on sandy soils, sprinkler irrigation is said to be the most efficient.



Insect prevention spraying of groundnut seedlings

Crops under trial on the above farms include—

- (1) Long staple cotton ;
- (2) Groundnuts ;
- (3) Pulses, and
- (4) Vegetables.

Experiments are being conducted to get the earliest results on the most profitable crops and best methods of cultivation.

(G) SUGARCANE PROJECT

Sugarcane cultivation to produce 5 lakh tons of canes a year was encouraged near the State Sugar Mills at Namti (Myitkyina), Pyinmana and Zeyawaddy.

Appraisal of the work done before the Bogyoke Government revealed that due to absence of systematic procurement the high price of sugarcane at K 40 per ton, which was fixed without any reference to the comparative price of other commodities or the cost of production, gives the best profit to the middle-men. While, on the other hand, the consumer is not better off, the actual cane growers receive no profit and the country suffers.

When the Bogyoke Government reduced the price of sugarcane to K 30 per ton some feared that it would not be possible to procure the canes required by the mills.

But steps were taken—

- (1) To increase the acre yield of sugarcane by—
 - (a) advice on improved cultivation;
 - (b) disbursement of cultivation expenses;
 - (c) supply of tractors;
 - (d) supply of fertilizers;
 - (e) pest and disease control.
- (2) Systematic procurement by—
 - (a) registration of growers;
 - (b) purchase of canes according to registered quantity;
 - (c) timely purchase of canes before the end of the season;
 - (d) rapid weighing of canes;
 - (e) rapid disbursement of value of canes sold to the mills.

With the disappearance of the middle-men, actual sugarcane growers have now nothing to complain about the reduction, but to thank the Government for the help they now receive in the systematic cultivation and procurement.

It is found that the State Mills have also benefited—

- (1) As the quality of canes received is better, the sugar outturn improves; and
- (2) More quantity of canes could be crushed daily.

(H) STATE MECHANIZED COTTON FARM PROJECT

This was begun with 50 acres at Hlaingdet in Meiktila District in 1957. The area increased to 500 acres in 1958 and 1,500 acres in 1959.

The object of the farm, using modern farm machinery, is to—

- (1) carry out experiments with long staple cotton; and
- (2) multiply selected seeds of long staple cotton.

Besides the above works, the farm opened an Agricultural School in close co-operation with the North Burma Command to train 84 surrendered personnel



Dry Zone Sprinkler project in the Mount Popa area

from different parts of Burma for six months from July 1959 to January 1960.

(I) AGRICULTURAL IMPROVEMENT IN THE STATES PROJECT

After forming special agricultural committees the following works are now being implemented:

(1) *Kachin State*—

- (a) Groundnut cultivation;
- (b) Sugarcane cultivation;
- (c) Coffee cultivation;
- (d) Frontier area crop improvement.

(2) *Shan State*—

- (a) Groundnut, wheat, soya bean cultivation;
- (b) Village water supply;
- (c) Resettlement of surrendered personnel;
- (d) Tea and coffee cultivation.

(3) *Kayah State*—

- (a) Groundnut cultivation;
- (b) Fruit cultivation.

(4) *Karen State*—

- (a) Groundnut cultivation;
- (b) Paddy expansion;
- (c) Rubber cultivation.

(J) ANIMAL HUSBANDRY PROJECT

(1) *Dairy Project*.—Milk has a very high nutrition value and is an essential human food. People in Burma are not taking milk as food. One of the chief factors against the milk-habit is the high price of the commodity. To have milk available cheaply to the man in the street, more high yielding milch cows and more

organized colonies of dairy farmers are needed.

In 1952-53, the ARDC sponsored a project towards producing more milk and brought some high yielding breed from Pakistan. This pilot project experience will be of great help in the national expansion programme.

People are showing more interest in dairy farming and with the satisfactory progress of the farm, the Bogyoke Government has plans to buy more certificated cows of high yielding breed and to expand the pilot project into a tangible national undertaking.

(2) *Draught Cattle*.—Burma is essentially an agricultural country and in spite of advances in mechanized farming, we still have to rely mostly on our draught cattle.

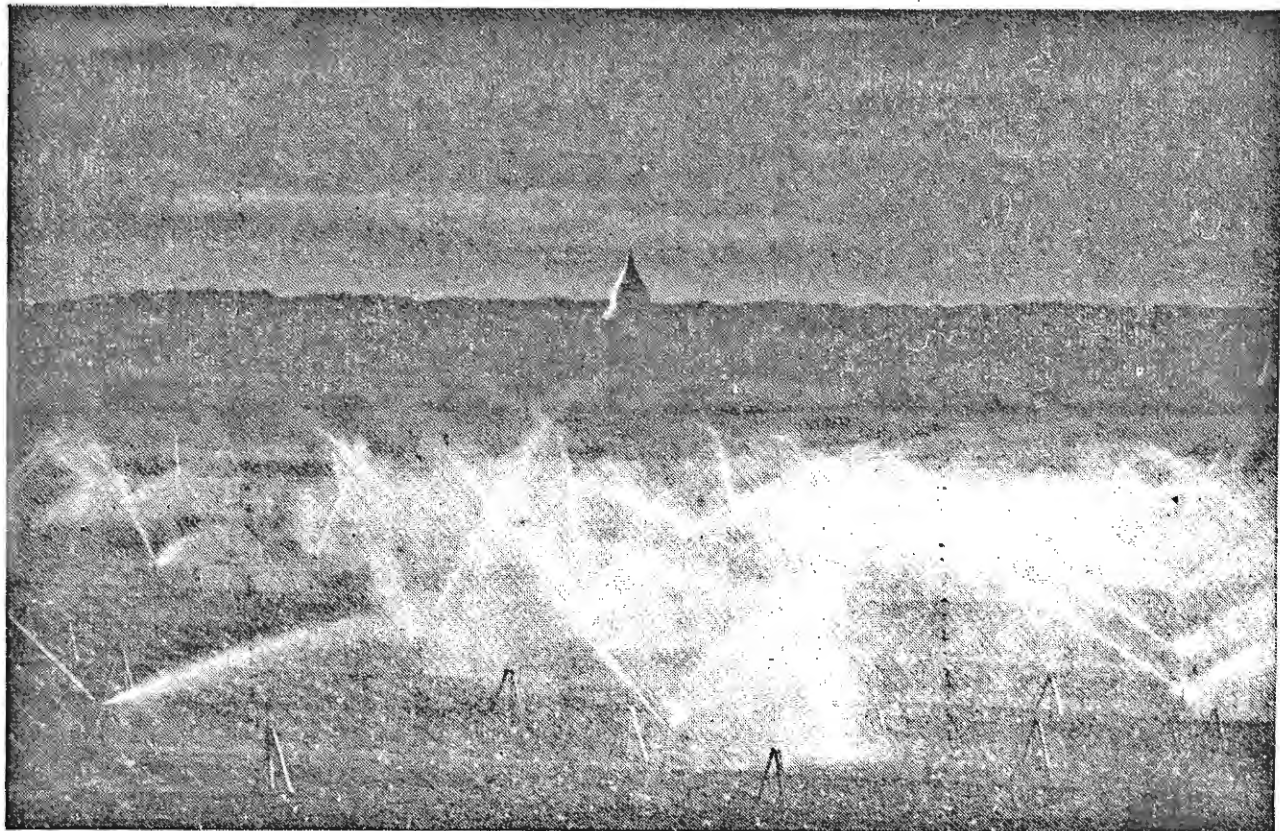
Burma-bred red oxen of Upper Burma are the most suitable for our conditions, but suffered great loss in numbers during World War II and the insurrection period following it.

To prevent extermination and to increase the numbers, Central Farms were established to distribute the good strain cattle. Cows in calf are loaned out to cultivators who have the option to buy the calf, when born, at half the prevailing price or claim cash of equivalent amount.

We could not meet the demands of the cultivators under this loan system, and as such the Bogyoke Government has planned for expansion of the project and also to keep the bulls in village centres for free service to cows loaned out and also to the cows of the village.

Position of the Farm in the succeeding years

Particulars	1952-53	1953-54	1954-55	1955-56	1956-57	1957-58	1958-59
1. Herd increase %	28.2	10.8	20.9	1.6	14.3	19.6	19.1
2. Birth %	51.1	41.4	47.6	46.8	61.9	70.3	70.8
3. Death %	11.9	16.2	8.9	22.3	11.9	7.2	5.7
4. Milk cows	55	96	102	118	89	79	65
5. Milk yield in pounds	119,101	301,300	335,881	373,747	252,729	274,421	239,621
6. Average yield per cow	8.53	8.60	9.02	8.65	7.78	8.62	10.23



Dry Zone Sprinkler project in the Pagan area

Furthermore, plans are being made for improvement and systematic management of a few grazing grounds which now exist in name only.

Sagu Farm was badly situated and the soil is not fertile enough for fodder, and consequently it was closed down. Of the cattle, some were sold and some shifted to Taungdwingyi Farm while the buildings were sold to the Army.

(3) *Mule Project*.—The Army and the hill peoples are badly in need of mules. In the past they were imported from China. A project was started in 1954-55 to meet the necessity and by the end of 1959, we have bred 50 mules.

Now, the Army has also started a mule farm with better foundation stock to meet the specifications. So, to avoid unnecessary duplication, the Mule Project has been closed down and the stock sold to the Armed Forces and public by auction.

However, to utilize the good conditions of Pyawbwe Farm, plans are being imple-

mented to start an Integrated Farm for dairy, draught cattle and poultry. It will serve as a central farm for Upper Burma and will make its weight felt in the community development programme.

(K) FOREST PROJECTS

1. *Forest Industries Department (FID)*.—This project originally existed as a research and experimental unit in the Forest Department. Its function was to explore into the possibilities of uses of timber, other than teak, as furniture and other household articles.

With the expansion of Army and other Departments, FID was formed in the ARDC in 1954-55 for bulk supply of furniture. The Department has put beautiful furnitures of wood like *Yinma*, *Thitkha*, *Taukkyan* and *Padauk* on the market. It has also established a good reputation with the foreigners in Burma. Average annual sales to the value of over K 13 lakhs is realized by this enterprise.

The Bogyoke Government, in its appraisal of this Project, found that too many rigid governmental rules have retarded the growth and took a bold step to allow FID to run on a commercial basis with a loan from the ARDC.

After the advent of standardized furniture for offices, FID is on the threshold of launching standard domestic furniture, cheaper and better made doors and windows and to export parquet flooring blocks, produced from beautiful Burmese timbers.

2. *Dry Zone Afforestation.*—During the Bogyoke Government, tending of 2,386.49 acres of Demonstration Plots and 17,175.60 acres of Village Forests (Total 19,562.09 acres) formed during 1953–59 were continued and with better security, emphasis was laid on protection and rehabilitation of 52,880 acres in catchment areas.

3. *Grow More Trees Campaign.*—With the earnest and whole-hearted co-operation of the various units of the Defence Services, an all-high figure of 355,000 avenue trees were distributed, planted and maintained this year.

(L) HORTICULTURAL PROJECTS

In response to the expressed desire of the Prime Minister to plant imported popular fruits like apples, pears and grapes, the works were extended into wider fields resulting in the planting of 23,946 quality fruit trees.

For next year's planting, over 6,000 grape cuttings, 50,000 grafted pears, 5,000 apple seedlings raised from cuttings, 10,000 green gages seedlings and 4,500 grafted gooty and seedlings of sunkist oranges are being prepared in the nurseries.

Over 100,000 root stock trees of apple, pears and citrus species are being cultivated for grafting and budding with good quality materials imported from foreign countries.

(M) COFFEE PROJECT

In the Government's effort to persuade the hill peoples to abandon *taungya* cutting, coffee plantations will play a major role.

The Bogyoke Government has placed great emphasis on helping and encouraging the hill peoples to earn more money with orchards and plantations and the Army has been of great help in distribution and planting of over 100,000 coffee seedlings in the hill-tracts.

(N) COCONUT PROJECT

The import value of coconut and coconut products reached a figure of K 200 lakhs in a year and in 1953-54 the responsibility to establish coconut plantation in the country was given to the ARDC. By October 1958, 46 estates (over 13,000 acres) were under coconut in various parts of the country with over 300,000 trees established.

The Bogyoke Government studied the project; and the scattered nature of estates the high cost of maintenance and the lack of trained personnel to efficiently run the estates led to the decision to abandon the project by the ARDC.

Realizing the importance of coconuts in the day-to-day economy of the people and recognizing the established plantations as national assets, the Bogyoke Government sold them on a cash basis or on easy instalment terms giving priority to the labourers of the estates. The payment in five instalments was to begin only after 25 per cent of the estate has borne fruit.

However, the Government has not lost sight of the importance and necessity of research and experiment, so six estates near Rangoon and the African Palm Oil estate in Tavoy District were retained for experiments on management, fertilizing and technique of planting.

(O) MONDAING CATCHMENT AREA MANAGEMENT PROJECT

Mondaing *Chaung* and its feeders drain into Meiktila lake. In 1936 the silt deposit was 11 million cubic feet and in 1954 it has reached an alarming figure of 28 million cubic feet. Roughly, the lake was getting shallower by 6½ inches every year. The immediate effect felt is the reduction of 46,831 cultivable acres, depending on the lake waters, to a little over 30,000 acres.

Investigation survey of this depressing state of affairs revealed a complex state of conditions which, together, brought about the rapid rate of increase in silting.

Some of the contributory major factors are destruction of forests and soil cover in Reserved and Unclassed forests for illicit cultivation followed by wrong technique of agricultural practices, annual fires over the whole area and over-grazing of cattle. The combined effort of man, beast and fire resulted in both wind and water erosions of all stages—sheet to gully.

The silting of Meiktila lake is only part of the impending disaster. To complete the picture one has to cover the whole catchment area to see the banks of the *chaungs* resulting in fast disappearing *chaung* beds, wide gaping gulleys bare of vegetation and the bleak areas with bleached loose coarse sandy soil from which the crop yield is on the sharp decline every year.

It was tried during the past 4 or 5 years to start the project to ease the position of the unfortunate of the area and those dependent on the Meiktila lake but prevailing circumstances then did not permit the implementation of the scheme. As soon as the Bogyoke Government was formed, Senior Army Officers urged the launching of this most desirable project.

With the Army's co-operation and co-ordination of all services, the following have

been accomplished within the short period of a calendar year :—

(1) The illicit cultivators numbering 513 households in Reserved Forests were allowed to stay on in the 1,100 plots until harvest but had to plant suitable seedlings in their fields to replace those they have cut down. Ninety per cent of the plantings are now well established. Further encroachments are prevented.

(2) For protection of unclassified forests, existing rules are notified and rigidly enforced with the help of patrols and co-operation of villagers.

(3) The catchment area (240 square miles) was completely and successfully fire protected and the immediate benefit was harvest of grass for fodder. Grass also acts to retard erosion and stabilizes the soil.

(4) Goats are great enemies of the forests and to help in the rehabilitation of the forests, the goats were bought at the villages with prevailing Meiktila prices. So far 14,400 goats have been bought from the villagers and the purchase of the remainder 40,000 odd should be completed by March 1960. As a substitute source of income, pig and poultry distribution has started to launch villagers on the new enterprises of pig breeding and poultry farming.

(5) Two oil residue burning plants have been erected to save firewood in palm-candy manufacture. Experiments to use pea husk and paddy husk in lieu of firewood are in progress.

(6) Soil binding plants are planted on either side of Mondaing *Chaung* along the whole length to prevent bank collapses.

(7) Sisal planting has started in areas which so far are not cultivable. A new source of income from a cottage industry and private plantations.

(8) Two feet wide, 1½ feet high contour bunds were built along the contours to a total length of 88,595 feet as a soil conservation measure.

(9) Five check dams and 2 diversion canals were completed for demonstration.

(10) Other measures taken to check erosion and collect water were :—

(a) Construction of 400' L × 12' H × 16' B bund and 150 L × 200 B × 8' D pond between Yeway and Shanmange villages.

(b) Completion of 350 and 500 feet long bunds between the villages of Yeway and Kantha. Water have started to collect and this will enable cultivation of hundreds of acres hitherto remaining fallow.

(c) Three bunds of lengths 200, 300 and 500 feet were constructed at about four furlongs west of Yeway village to combat against erosion. Four diversion channels were also completed.

(d) A drinking water pond 200 feet square was constructed near Nyaunglebin village.

(11) In the field of welfare, the Army in the area established retail shops for food and clothing in large villages and a mobile shop also functioned. For once the villagers enjoyed the full value of the welfare created for them by the Government.

Further plans are to plant Groundnut (Spain 121), Cotton (M5), Castor, formation of village forests, to establish instruction plots to emphasize the correct technique of agriculture and to demonstrate the anti-erosion measures and collection of water by simple constructions.

A committee of Departmental representatives with a Lt.-Colonel as the Chairman is always actively watching over the Project in its implementation and creating ways and means for the welfare of the people in the Project area.

(P) VIRGINIA TOBACCO PROJECT

With a view to raising the standard of living of the cultivators, to attain self-sufficiency of fine grade Virginia type flue-cured tobacco, to check the drain of foreign exchange expended for the import of Virginia tobacco and cigarettes, and lastly, to create a new source of revenue in the form of excise duties on cigarettes, this project was launched in the latter part of 1953-54.

From the time of inception up to the close of the financial year 1957-58, cigarettes manufactured locally had a very steady, stable and favourable market; and with that factor in attendance, the project made a good stride during that period by doubling its achievements towards the quantity drive.

At the close of the year 1957-58, the project surpassed, so to say, its target as the statistics showed over 10,000 acres under tobacco cultivation as against the target of 6,000 acres; 1,043 numbers of tobacco curing barns as against 1,000 numbers; and an annual production of over 14 lakh viss as against 12 lakh viss.

On the eve of the change-over of the Government, a great change took place in the local tobacco trade. Due to many contributing factors, the price trend of the cigarettes manufactured locally began to decline. The local cigarette manufacturers became reluctant to stock-pile tobacco even at lower prices and the local tobacco market lost its morale. The future, by that time, was quite bleak.

Tobacco growers then began to cultivate other crops instead of tobacco as an alternative relief, with the result that during the last tobacco season, *i.e.*, in the middle of the year 1958-59, tobacco was grown on less acreage and the harvest in the early part of the current year is estimated at about two-third that of the previous year.

The whole problem, in its true perspective, was put up to the Government along with recommendations regarding relief measures for immediate implementation. Due consideration was given by the Bogyoke Government, which realized that the whole mess pivoted on poor local marketing facilities and lack of outlets for the world market.

After many other plans were formulated at a higher governmental level, it was decided at last, in the latter half of 1958-59, that local tobacco marketing and tobacco export be a State concern.

Henceforth, to have timely relief of the part of cultivators as well as to have an earning of foreign exchange, the Virginia Tobacco Marketing Project sponsored by the State Agricultural Marketing Board will, as soon as the pending tobacco harvest sets in during the current year, carry out the local tobacco trade and export.

Due to this endeavour on the part of the Bogyoke Government, the morale, at present, of the tobacco cultivators has revived greatly, to the extent that preliminaries for enhancing local Virginia tobacco production are well underway.

Virginia Tobacco Trade as at present

Year		Acreage	No. of tobacco curing barns	Annual tobacco production (in viss)	Excise duties levied on cigarettes
1957-58	...	10,654	1,043	1,663,867	21,424,565
1958-59	...	9,139	1,066	1,043,805	18,468,573
					(up to the end of June 1959).

(Q) RURAL SANITATION AND WATER SUPPLY PROJECT

Water is an essential requirement for all forms of life and for this reason it must be available in adequate quantity, free from pathogenic germs as a protection against danger to public health.

It is also difficult to imagine any clean and sanitary environment without water. The larger the quantity and the better the quality of the water the more rapid and extensive has been the advance of public health.

This essential service was very much neglected in the past, especially in rural

areas. To remedy this defect the Rural Sanitation and Water Supply Board was first constituted on 1st May 1953 with a Three-Year Programme of work. Under this programme some 6,000 tube wells are to be drilled in rural areas and the villagers are to be educated in the use of sanitary latrines for which concrete squatting plates are to be issued free of charge.

Later, in 1956-57 the Board's original Three-Year Programme was revised. Its time was extended and sources other than tube wells, such as, springs, streams, tanks and surface wells are to be provided.

The programme of work originally contemplated and partially completed prior

to the assumption of the Bogyoke Government is as follows:—

Year	Tube well	Small tank	Big tank	Surface well	Piping water from springs and streams	Popa Scheme
1952-53	34	...	...	...	...	...
1953-54	277	81	2	2	...	...
1954-55	415	22	1	18	2	...
1955-56	701	55	1	35	1	...
1956-57	822	58	4	50	2	...
1957-58	772	44	1	34	1	...
Already done ...	3,021	260	9	139	6	...
Remained to be done ...	2,979	340	141	761	9	1
Total ...	6,000	600	150	900	15	1

With the assumption of office by the Bogyoke Government there has been remarkable changes in the implementation of the Board's programme of work. Extensive progress was made, as a result of an intensive drive launched by the Board in conjunction with the Security Councils.

The water supply problem in many areas, especially in Upper Burma, hitherto without adequate supply of potable water, has been successfully solved. Such areas are:

- (1) In Lower Chindwin District: Ayadaw town, Kyaukpyauk, Baikthayet and many villages.
- (2) In Yamethin District: Yamethin town, Pyawbwe and many villages.
- (3) In Meiktila District: Thazi, Hlaingdet and many villages.

In many villages there are many overflowing tube wells. In some areas there is an excess of water over domestic requirements and proposals are in hand to utilize these wells for irrigation, thus enabling the villagers to increase their income.

Overflowing Tube Wells

District.	Township.	Number of overflowing tube wells.	Total.
Shwebo	Wetlet ...	16	57
	Shwebo ...	26	
	Khin-U ...	12	
	De Pe Yin ...	2	
Monywa	Ye-U ...	1	2
	Salingyi ...	2	
Mandalay	Patheingyi ...	1	3
	Madaya ...	2	
Meiktila	Thazi ...	1	1
Yamethin	Yamethin ...	1	15
	Pyawbwe ...	14	
Toungoo	Pyu ...	4	10
	Okkyin ...	6	
Prome	Thegon ...	15	23
	Shwedaung ...	3	
	Padigon ...	4	
	Paungde ...	1	
Total ...			111

Another outstanding achievement is the construction of tanks and wells with funds contributed by Board annually as Grants-in-aid.

The total amount of Grants-in-aid contributed by the Board up to date is K 27,83,695 as listed below:—

Year.	Contribution.
	K
1953-54	99,700
1954-55	53,622
1955-56	1,33,586
1956-57	2,96,787
1957-58	18,00,000
1958-59	4,00,000
Total ...	27,83,695



Digging of a water pump in a village

Progress under the Pyidawtha Plan was not satisfactory. Funds remained unspent, and in some cases reports on progress of works were not forthcoming.

With the co-ordination of Security Councils, the drive for the construction of tanks and wells was very effectively pushed forward utilizing earth excavating machines in some cases, wherever these machines are available.

New and Old Tanks Repaired

Tanks (new)	...	19
Tanks (old)	...	129
Wells (new)	...	90
Wells (old)	...	24

Tube well water was supplied to many satellite towns and villages like Thaketa and Okkalapa near Rangoon, Khittaya Myothit near Prome, Tantabin Myothit near Toungoo Myothit near Katha Town and the newly opened out residential areas near Pyu and many villages removed from insurgent areas to more secure places near large towns and villages.

As the importance of this aspect of essential public service becomes more apparent the Bogoyoke Government has planned to intensify this programme of work. With this in view the Board was transferred from its old parent Ministry of Social Welfare and Religious Affairs to that of Agriculture and Forests on the 10th August 1959.

Since then the Board has been working as a Project of the Agricultural and Rural Development Corporation, having better resources such as funds and organization, in addition to the possibilities of exploiting more available water resources not only for domestic requirements but also for irrigation.

There are many undeveloped water resources, such as rivers, springs, streams, underground water and lastly rain water, is simply wasted by flowing into the rivers and sea. The major portion of annual

rainfall ranging from 20 to 200 inches. Meanwhile there is a perennial cry of water shortage in nearly every district during the rainless period of the year. To remedy all these attempts will be made to exploit suitable water resources.

Proposals are in hand to send suitable personnel abroad for further training in water well drilling and exploitation of water resources.

An officer soon be proceeding to Australia for a training period of four months under Colombo Plan while another is to be recruited and sent to Israel for training in Water Resources.

Attempts are also to be made to procure water well drilling machines capable of drilling down to 2,000 feet. The drilling capacity of the existing machines is from 600 feet to 750 feet only.

With the return of these trained personnel and the procurement of new equipment it is hoped that it will be possible to implement a more extensive water supply service to the towns and villages throughout the country.

(R) RUBBER PLANTING PROJECT

This project was begun in 1956. But it had early beginnings, since 1952, when action was taken to raise the ban by the Malayan Government on the export to Burma of rubber planting materials and then to send an agricultural expert by the same authority in 1953 for the urgent replanting of existing rubber stands, and finally resulting in the visit of the United Nations rubber planting expert in 1955.

A scheme was drawn up on his recommendations and received the approval of Government late in 1956.

As one of the few principle domestic commodities of export, raw rubber earns an annual foreign exchange of about 40 million kyats. As such it is incumbent that the rubber planting industry should be

developed by replacing the old standing trees with modern high yielding planting material in addition to planting in new areas.

The existing rubber stands of 120,000 acres are on the average more than 30 years old and having been planted from wild Brazilian stock are not only producing a very low yield but is declining on account of age.

It is therefore of urgent necessity that they should be replaced by high yielding planting material which produces about 3 times the existing yield. The rubber planting industry will cease to exist otherwise.

The expansion of manufacture of synthetic rubber, which comprises over a third of world rubber consumption and which is being sold at U.S. 23 cents (K 1.09), compels the reduction in the cost of production of natural rubber by raising trees of high yielding varieties.

The aim of this Project is to plant and replant rubber with high yielding varieties in order to save the rubber industry, one of the main economic assets of the Union.

High yielding planting materials are not available in Burma. Clonal seeds have to be imported from Malaya and Ceylon and sown in nurseries established in chief rubber planting districts. The seedlings, about one year old, are distributed to bona fide planters at nominal cost. Specially mixed fertilizer and fencing material are also disbursed at nominal rates.

To replant the existing area of rubber plantations and to establish 50,000 acres of new estates in 10 years is the target of the project. In order to finance the scheme a cess on the exported raw rubber is proposed, but since it has been held in abeyance the project now depends on funds furnished by the ARDC, which does not include subsidies proposed to be granted under the Cess Act.

The progress in the speed of replanting is therefore not consistent with the target framed, which was based on the supposition of being able to finance the planters with subsidies obtained out of the Cess proposed.

But the Bogyoke Government, soon after its assumption of charge, terminated the Rubber Marketing Corporations export monopoly and also endeavoured to release the rubber planting industry from taxation of Income-tax. These efforts have had very tangible results as shown in the table below. The area planted in the rains of 1958 had quadrupled in 1959. Up to end of 1959 the demand for planting material had exceeded the capacity to supply.

Progress of Planting (Acres)

Year.	Total area planted	Replanting old estates.	New planting.
1957-58	870.00	291.00	598.00
1958-59	3,684.05	1,070.22	2,605.37
1959-60	5,715.63	1,885.66	3,829.97

The actual demand was for material to plant 11,228.90 acres but as some prospective planters had not obtained permits for land use from district authorities they had to be deferred.

(1) Implementation Commitments.—

(a) *Rubber Planting Subsidy (Cess) Act.*—The rubber planting industry requires considerable capital and it was proposed to subsidize planting from funds obtained under the Act, as it was done in Malaya and Ceylon, where replanting old rubber and establishing new plantations has taken great strides, while the progress in Burma or Thailand is not so as replanting is not subsidized.

(b) *Seed Garden.*—As high yielding planting material does not exist in Burma, a seed garden, to produce Clonal seeds, has been established near Moulmein, and also budwood nurseries, where budwood of proved Clonal varieties are multiplied.

The project is now dependent for its supply of Clonal seeds on Ceylon and Malaya but would soon be self-sufficient in this respect as from 1964. The seed garden is intended to furnish training ground for modern methods of rubber planting and production besides the Clonal seeds and latex it produces income from the source is estimated as below:—

Year.	Sale of seeds at 5 pyas.	Sale of latex (rubber sheet) at K 1 per lb.	Total.
1964	...	8,000	...
1965	...	53,750	...
1966	...	120,000	26,000
1967	...	187,500	83,750
1968	...	187,500	171,500
1969	...	187,500	218,500
1970	...	187,500	253,000
1971	...	187,500	268,000
1972	...	187,500	268,000

(c) *Experimental Nurseries*.—Experimental plantations will be established in order to test the growth, yield, etc., of several high yielding Clones so as to find out the best Clones suited to the characteristics of each locality in Burma as distinct from their habitat.

(d) *Budwood*.—Nurseries for multiplying proved budwood have produced material not only for use in the establishment of the Seed Garden but also for distribution to planters. We have now 24 Clones in our nurseries.

VII. State Agricultural Bank

Since its inception on June 1, 1953, the State Agricultural Bank has been handling the issue of two types of agricultural loans. These are—

- (1) loans issued through the village banks to its members out of the Bank's paid-up Capital of K 5 crores subscribed by Government ; and

- (2) loans to cultivators who are not yet members of the village banks out of the funds sanctioned annually by the Union Parliament;

these loans are generally known as the "G.A. loans," as they are issued through the General Administration Department Officers under the Agriculturist's Loans Act.

(A) BANK LOANS

(1) *Disbursement*.—Under the conditions obtaining during the six years preceding the Bogyoke regime, the number of village banks which could be formed totalled 1,154 only.

Marked improvement in the law and order situation and in the repayment of arrears of agricultural loans during the period from November 1958 to January 1959 had made it possible to open 524 more village banks within a space of fifteen months, thus bringing the total number of village banks to 1,678.

There have been consequential increases in the seasonal loans issued during this period—from K 253 lakhs last year to K 374 lakhs, an increase of K 94 lakhs in the case of *Kaukkyi* loans, and from K 35 lakhs last year to a sum not likely to be less than K 80 lakhs in the case of *Kaing* loans.

(2) *Recovery*.—Due to the whole-hearted co-operation and assistance rendered by the District and Township Security Councils and by the Army officials, some of the outstanding loans for which there was hitherto little prospect of recovery have been recovered.

Out of K 18 lakhs outstanding against the village banks from 1954-55 to 1957-58 a sum of K 9.5 lakhs had been recovered, while out of a total of K 54 lakhs outstanding against the Co-operative Societies for the period from 1953-54 to 1957-58 no less than K 16 lakhs had been realized.

Thus a total sum of K 25.5 lakhs of old loans was realized during the time of the Bogyoke Government.

In respect of *Kaukkyi* loans of K 253.57 lakhs and *Kaing* loans of K 35.38 lakhs issued during the previous year which became due for repayment during the period under report, the collections are equally satisfactory, the sums recovered being K 239.24 lakhs and K 35.12 lakhs respectively.

(B) G.A. LOANS

(1) *Disbursement*.—Under the previous orders for disbursement of agricultural loans the Township Officer had only to make over the total amount sanctioned for a village-tract to the Village Loan Committee who in turn makes the distribution among the individual borrowers.

This procedure has been found to have not infrequently resulted in the Committee misappropriating the loans meant for the other borrowers. In the matter of recovery also, where repayment had been made to the Committee, it was found impossible to verify who had paid and how much or whether the amount repaid had been misappropriated or not, because issue of receipt by the receiving Committee to the payer had not been prescribed.

To rectify this unhappy state of affairs, a new procedure was introduced as from December 1958, under which the Committee must not only disburse the loans to the cultivators individually in the presence of the Township Officer or some other official appointed in this behalf, but also grant to the payer a receipt bearing the Township Office seal signed by the Chairman and one other member of the Committee, making it possible thereby to verify repayments and detect misappropriation on the part of the Committee, if any.

With a view to boosting production the issue of fresh loans was also permitted to the following three classes of cultivators in relaxation of the previous directive banning such loans to defaulters—

- (a) those who had been rendered ineligible for loans through acts of fraud or misappropriation committed by the Committee ;
- (b) those who were unable to repay because of loss of cattle or crop failure due to drought, flood or other causes beyond their control; and
- (c) those of a group of borrowers to whom loans had been granted on collective security bond, who had fully repaid their respective loans, and of whom only one or two had defaulted.

Additional funds required were provided by a supplementary grant of K 1 crore, in addition to K 2 crores originally sanctioned. With the loans regulations relaxed as referred to above, a total sum of K 270 lakhs was issued as G.A. loans during the year 1958-59, showing an increase of K 36.5 lakhs over the previous year's issue of K 233.5 lakhs.

(2) *Recovery*.—Here also, due to the unstinted co-operation and assistance obtained from the Security Councils and Army Officials, an appreciable portion of the arrears had been recovered.

Whereas during 1957-58, the total collections were K 178 lakhs of which K 86 lakhs related to arrears of preceding years, the amount recovered during the year 1958-59 totalled K 329 lakhs of which no less than K 169 lakhs were outstandings of past years.

It will be seen therefore that a large measure of success has been achieved in the collection of old loans during the Bogyoke regime.



U Ka, Minister

Ministry of Land Nationalization

The Ministry of Land Nationalization has the following departments under its charge:—

1. *State Colonies Department.*
2. *Survey Department.*
3. *Settlement and Land Records Department.*
4. *Land Use Bureau.*
5. *Land Nationalization Department.*
6. *Compensation Department.*

During the regime of the Bogyoke Government the above Departments have been able to work more effectively and successfully as a result of better conditions of law and order.

This is attributable to the exertions made by the Government servants in the discharge of their duties and to the effective co-operation and co-ordination not only among the Government servants themselves but also between the various Government Departments.

The results obtained by all Departments within the short period of 15 months have been encouraging.

I. State Colonies Department

The war and subsequent insurrection in the country almost nullified the efforts of the State Colonies Department, which had by the outbreak of the war, succeeded in having 155 Tenancy Co-partnership Co-operative Credit Societies established in the area administered by the Department.

The pre-war activities of the Department suffered so much of a setback from the ravages of the war and internal turmoil that it actually became necessary to liquidate all moribund societies and to reconstruct them under a new bye-law as Multi-purpose Co-operative Societies with rural uplift

work in the background. This transformation in itself was not without attendant obstacles and difficulties and entailed a great deal of uphill work.

The results, however, are encouraging and to date, out of 155 societies, 91 have already been reconstructed and 20 on the way to reconstruction, having already passed the stage of formation and registration.

The Department owes a great deal to local security forces which lost no time in clearing a large area under the control of the Department from insurgents, thus making it possible for a high percentage of the societies being reconstructed and, in no less a measure, to the Agriculture and Rural Development Corporation which had utilized its resources unstintedly in the reclamation of acres of valuable land rendered unfit for cultivation through years of unuse and abandonment.

Notably on record is some 7,676 acres of land in Daik-U Colony area which have been cleared, ploughed, surveyed and allotted to cultivators including 15 householders from Pauk and Myaing townships of Pakokku district. Cattle and farming implements received by these cultivators from the Agriculture and Rural Development Corporation on instalment-payment system helped them on with their rehabilitation.

Another instance of the Agriculture and Rural Development Corporation's co-operation is the construction of an 8-mile long

embankment in Nyan-U Society area in Kawa township of Pegu district. This feat of land-improvement was achieved on the initiation of the Agriculture and Rural Development Corporation, utilizing 40 per cent free labour contributed by the neighbourhood cultivators.

Plans are in hand for similar development activities in Thongwa Colony area.

During the period under report, the Government handed over 4,102 acres of *Patta* lands in Thanatpin township, Pegu district, to this Department for new colonization. Action is being taken to effect the transfer of these lands.

With improvement of law and order, the total area under cultivation has increased in the colonies, as illustrated below:

Years.		Cultivated Area.	Kauk-kyi Area.	Kaing Area.
1957-58	...	130,806	128,181	2,625
1958-59	...	138,116	134,975	3,191

Paddy cultivation has increased by 6,794 acres while *kaing* cultivation has increased by 566 acres.

Attached is a tabular statement showing the increase in collection of land revenue and the recovery of principal agricultural loans and interest, when compared with the corresponding period of 1957-58. This is chiefly due to peaceful conditions bestowed by the Bogyoke Government.

COLLECTION OF LAND REVENUE
From November 1957 to end of December 1958

Years	Amount assessed	Amount collected	Balance
	K	K	K
1957-58 ...	3,05,433	2,61,909	43,524
Arrears of Land Revenue of past years.	3,11,749	9,596	3,02,153
Total ...	6,17,182	2,71,505	3,45,677

From November 1958 to end of December 1959

Years	Amount assessed	Amount collected	Amount struck off	Balance
	K	K	K	K
1958-59	3,33,773	3,23,093	...	10,680
Arrears of Land Revenue of past years.	3,45,677	30,573	6,867	3,08,237
Total ...	6,79,450	3,52,666	6,867	3,18,917

RECOVERY OF PRINCIPAL LOANS AND INTEREST

From November 1957 to end of December 1958

Years and kind of Loans	Amount issued	Amount collected	Balance	Interest collected
	K	K	K	K
1956-57—				
Kaing Loans ...	19,120	19,120	...	468
Agricultural Loans ...	3,39,830	2,73,730	66,100	14,620
Arrears of Loans of previous years.	5,36,185	51,842	4,84,343	4,265
Total ...	8,95,135	3,41,692	5,50,443	19,353

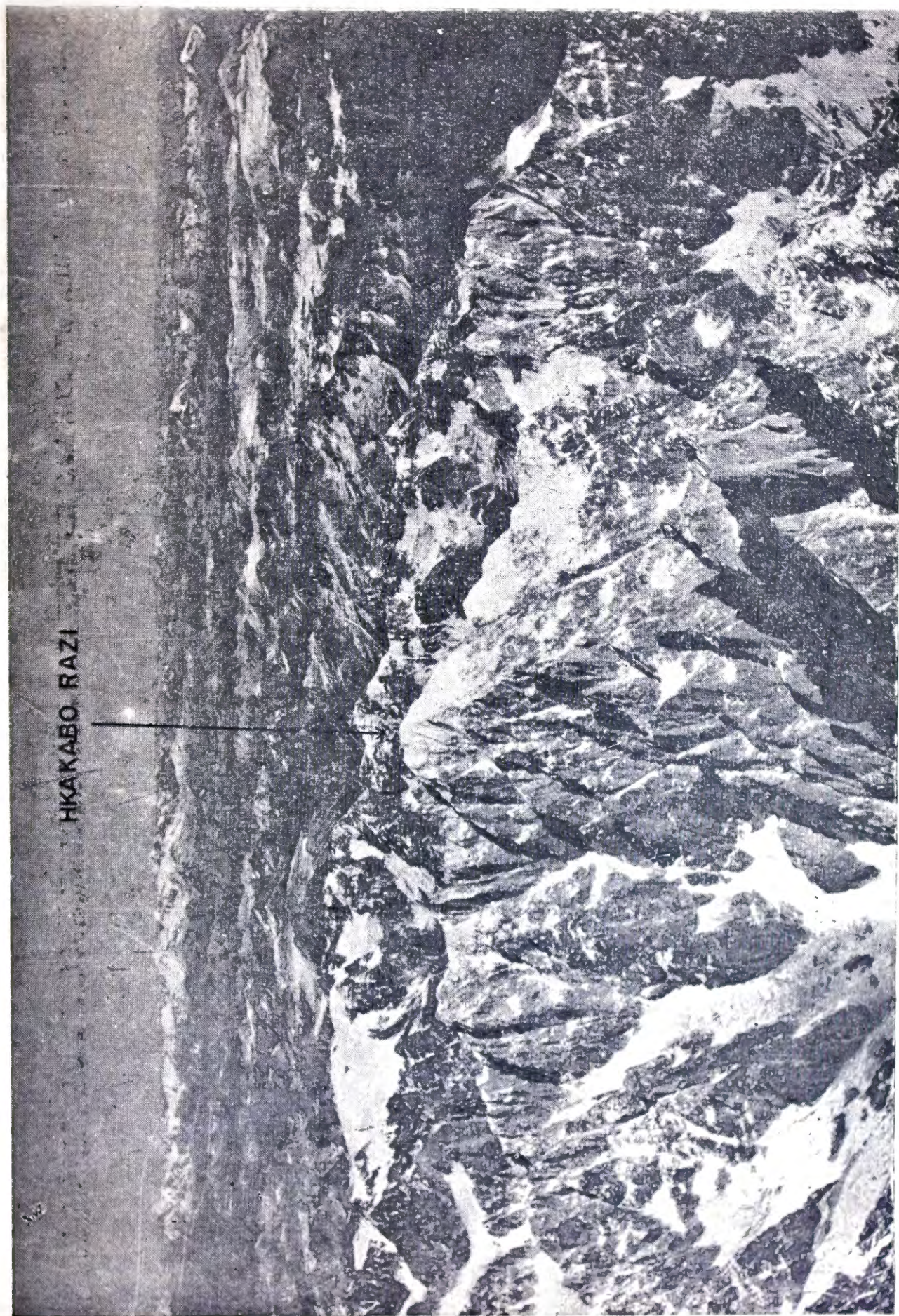
From November 1958 to end of December 1959

Years and kind of Loans	Amount issued	Amount collected	Balance	Interest collected
	K	K	K	K
1957-58—				
Kaing Loans ...	34,310	34,310	...	1,013
Agricultural Loans ...	2,21,840	2,14,840	7,000	9,122
Arrears of loan of previous years.	5,50,443	1,13,790	4,36,653	27,752
Total ...	8,06,593	3,62,940	4,43,653	37,887

II. Burma Survey Department

With the post-war years bringing in their wake the vast development projects, the need of proper, up-to-date topographical maps covering the whole country has become extremely urgent. Growing public appreciation of the vital role of maps in all fields has also resulted in heavy demands for maps.

Immediately on receiving charge of the Survey Department, the Director-General was therefore confronted with the huge task of formulating and implementing a suitable plan for mapping the whole country from aerial photographs in the shortest possible time. A national mapping scheme extending over six years was accordingly drawn up, known as the Seven-Year Plan.



Aerial photograph of 44,000 sq. miles of Burma includes 19,296 ft. high Hkakabo Razi, the highest peak in Burma

The Seven-Year Plan is a programme intended to produce from air photographs modern, up-to-date maps covering the whole country by the end of the year 1965. The Plan is divided into—

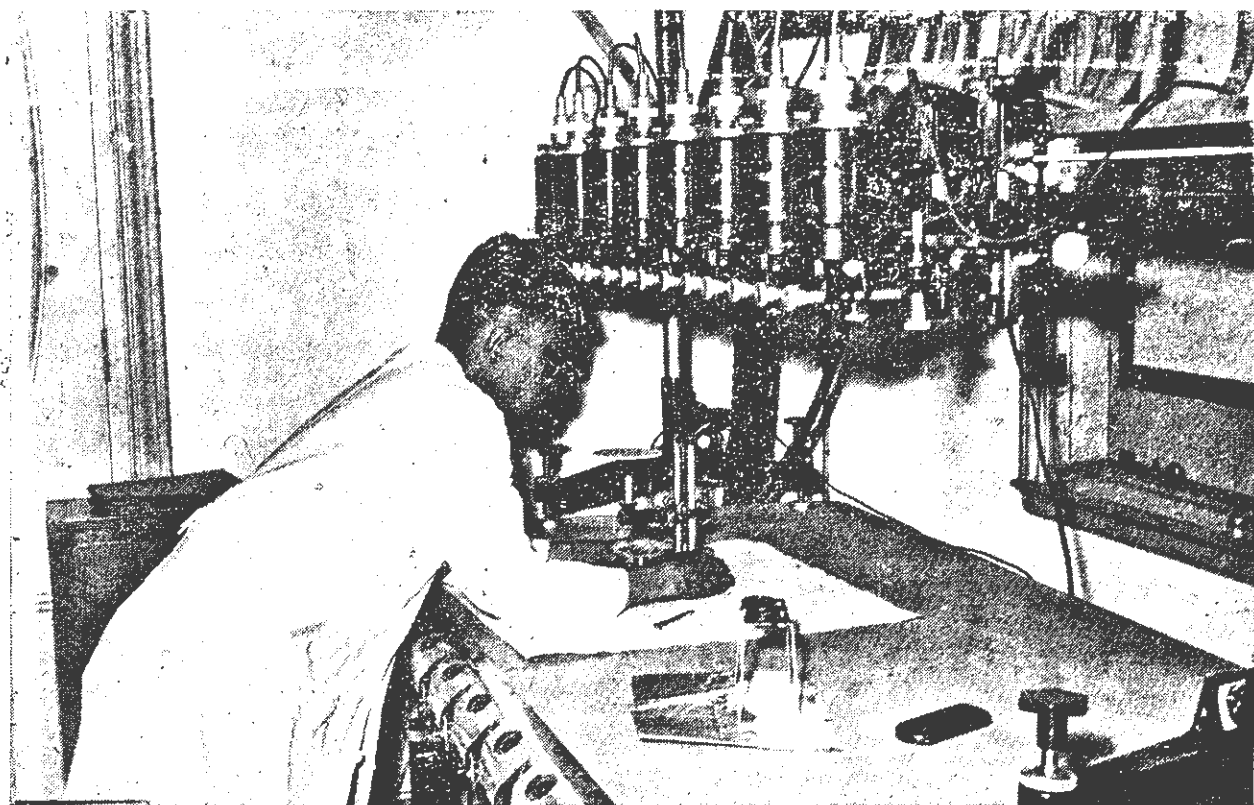
- (a) Topographical mapping in Burmese on the standard scale of 1 : 50,000; and
- (b) *Kwin* mapping of approximately 7,000 *kwin*s for which maps were lost or destroyed during the war.

As regards topographical mapping, 65 per cent of the country will be revised from air photographs using existing triangulation data, without any need for ground survey work. It is aimed to complete this work by the end of 1961. The remaining 35 per cent will be mapped from air photographs with the aid of ground control surveys.

(A) FIELD SURVEY PROGRAMME

Triangulation for establishing ground control for the above mapping is being carried out by No. 1 and No. 2 Survey Parties and the Geodetic and Research Division. The fact that triangulation data covering a total area of 140,000 square miles has been lost during the war necessitates triangulation surveys in these areas in a form suitable for mapping from aerial photographs. It is aimed to complete this task within the Seven-Year Plan, *i.e.*, by the end of 1965.

The area in which triangulation surveys are being carried out this year, comprise the Southern Shan State—west of the Salween, Meiktila, Minbu, Magwe, Thayetmyo, and Prome Districts. The total extent of these areas is about 20,000 square miles.



Topographical map on the scale of : 1 50,000 being plotted from aerial photographs on a Multiplex photogrammetric plotting machine

The following programme of triangulation surveys has been drawn up for subsequent years:—

1960-61—The Northern Shan State (west of the Salween, and the Special Division of the Chins).

1961-62—The Shan State (east of the Salween).

1962-63—Myitkyina District.

1963-64—The Naga Hills District.

1964-65—Arakan Division, Kayah State, and Tenasserim Division.

Funds required during 1959-60 for the implementation of the above programme have been duly sanctioned by Government, and action has been taken for purchasing one double-colour offset printing press for the Map Printing Office, field equipment and motor vehicles for the field survey parties, and photogrammetric plotting equipment for the Aerial Survey Division.

(B) AERIAL PHOTOGRAPHY

Up to the end of the last financial year an area of 234,000 square miles was photographed. The photography of the remaining 44,000 square miles of Burma is presently in progress; this is to be completed by the end of February 1960. The total area completed to date is 247,000 square miles.

Besides triangulation surveys now being carried out, the Burma Survey Department has also the responsibility to lay down precision levelling bench marks along the principal lines of communication, and to establish a network of gravimetric measurements covering the whole of Burma.

Unfortunately, in spite of its importance the Survey Department has not been able to give much attention to this branch of

surveying. The task is one of colossal proportions requiring many years and demanding full concentration of all our resources. Therefore it would only be possible to spare more time for geodetic work after the completion of the Seven-Year Mapping Programme.

However, a start has already been made in this field. During the preceding year levelling has been run from Rangoon to Htaukkyan, an international connexion with the levelling of Pakistan has been accomplished, and gravity measurements made in some parts of the country.

(C) DEPARTMENTAL HANDBOOKS

Departmental Handbooks covering the various branches of surveying and mapping falling within the scope of the Burma Survey Department, are in course of preparation.

These handbooks are intended to serve as practical working guides for Departmental personnel. It is hoped to have the books completed and printed by the end of May 1960.

Comparison of progress with last year.—Attached to this Report is a comparative statement showing the Department's mapping progress during the six-month period, from the appointment of the Director-General of Surveys and the consequent initiation of the Mapping Programme, *viz.*, July 1, 1959 to December 31, 1959, compared to the progress during the corresponding period in 1958.

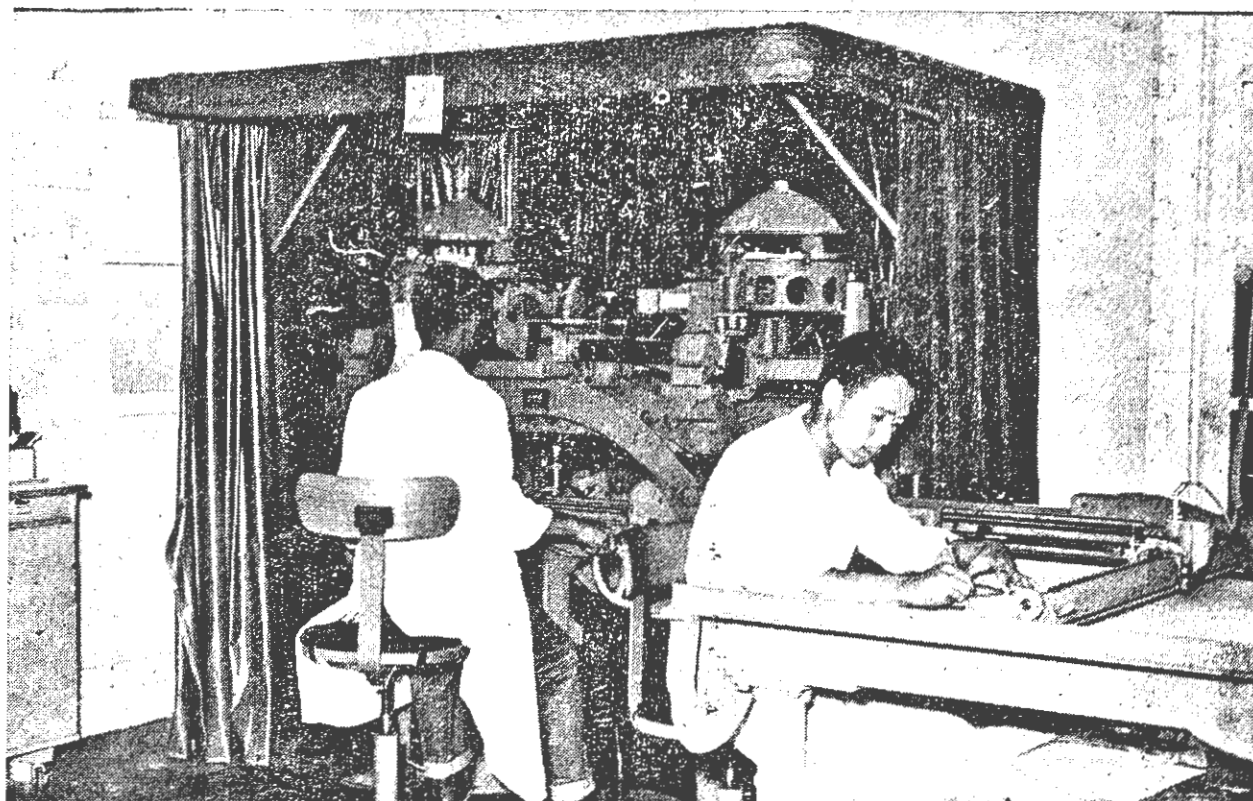
Kwin Mapping.

<i>Months.</i>	<i>Aerial Survey Division No. of Kwins completed.</i>	
	1958	1959
July ...	6	6
August ...	7	9
September ...	6	90
October ...	3	84
November ...	4	95
December ...	7	146
Total ...	33	430

Comparative Statement showing mapping progress during the six-month period July 1—December 31, 1958 and 1959

Part I.—Standard Topographical Mapping

Month	Aerial Survey Division		Drawing Office		Map Printing Office			
	No. of sheets completed		No. of sheets completed		No. of sheets completed		No. of copies printed	
	1958	1959	1958	1959	1958	1959	1958	1959
July	...	2	1	5	1	15	1,000	18,000
August	...	2	1	13	1	15	3,000	18,000
September	...	14	1	10	1	8	1,000	16,000
October	...	21	1	11	1	11	3,000	30,000
November	...	20	1	12	1	12	3,000	34,000
December	...	45	1	30	1	12	3,000	36,000
Total	...	104	6	81	6	73	14,000	152,000



Map on scale of 1: 50,000 for irrigation project being plotted from aerial photographs on a wild A-8 photogrammetric plotting machine.

III. Settlements and Land Records Department

The main functions of the Settlements and Land Records Department are—

- (1) Land Records work,
- (2) Reconstruction work,
- (3) Land Administration work,
- (4) Fixation of Land Revenue, and
- (5) Registration work.

The progress of work during the period from the 1st November 1958 to the 31st December 1959 is given below.

Apart from the annual assessment of Land Revenue covering about 20 million acres, the Department has carried out the revision and resurvey work for 7,671 *kwins*, 3,374 blocks, and 129 Outside Supplementary Survey *kwins*. Area computation was completed in 1,458 *kwins* during the year under report.

During the period under report the following reconstruction work was completed:

	Map.	Register I-A.	Register I-B.	Area State- ments.
<i>Kwins</i>	... 234	263	254	252
Blocks	... 25	55	63	3

In the past this reconstruction work was neglected. Thus this progress given during the Bogyoke's Government is creditable.

Distribution of lands, of course, involves changes of ownership, areas held by owners, status, etc., necessitating thereby change of, in other words, reconstruction of new maps and connected Land Records registers. Thus, in areas where Land Nationalization work has been completed, all the maps and registers have to be reconstructed. During the year under report reconstruction for Land Nationalization work was carried out for 1,623 *kwins*.

The main functions in Land Administration are to see that exemptees and distributees abide by the conditions laid down in the Land Nationalization Act, 1953, and to authorize the proper use of the lands and to see that the lands are properly used as sanctioned by the authorities. In the following sub-paragraphs, the progress of work in respect of Land Administration is shown:

- (a) *Right over the lands under Sections 9 and 10 of the Land Nationalization Act.*—During the year under report, 1,413 cases were opened and in 764 cases, final order was passed.
- (b) *Conditions laid down under Sections 11 and 12 of the Land Nationalization Act.*—Out of 2,938 cases opened for the year under report, 2,541 cases were disposed of.
- (c) *Use of the land under Section 49 of the Land Nationalization Act.*—During the year under report, 2,572 cases were opened. Out of these cases final order was passed in 2,020 cases.
- (d) *Use of Government waste lands as laid down in Chapter XII of the Rules under the Land Nationalization Act.*—During the year under report, action was taken in 2,533 cases under this category.

During the year under report, the Government has set up a Committee to investigate the possibility of enhancement of the existing Land Revenue rates. The Committee has recommended to the Government for refixation of Land Revenue rates for the whole of Burma in three years.

The Financial Commissioner (Lands and Rural Development) and the Commissioner of Settlements and Land Records

gave practical training to the officers and staff of the two Settlement Parties in Yamethin, Meiktila, and Myingyan Districts as to how refixation of Land Revenue is to be made.

The two Settlement Parties are now operating in Yamethin and Toungoo Districts on the new procedure.

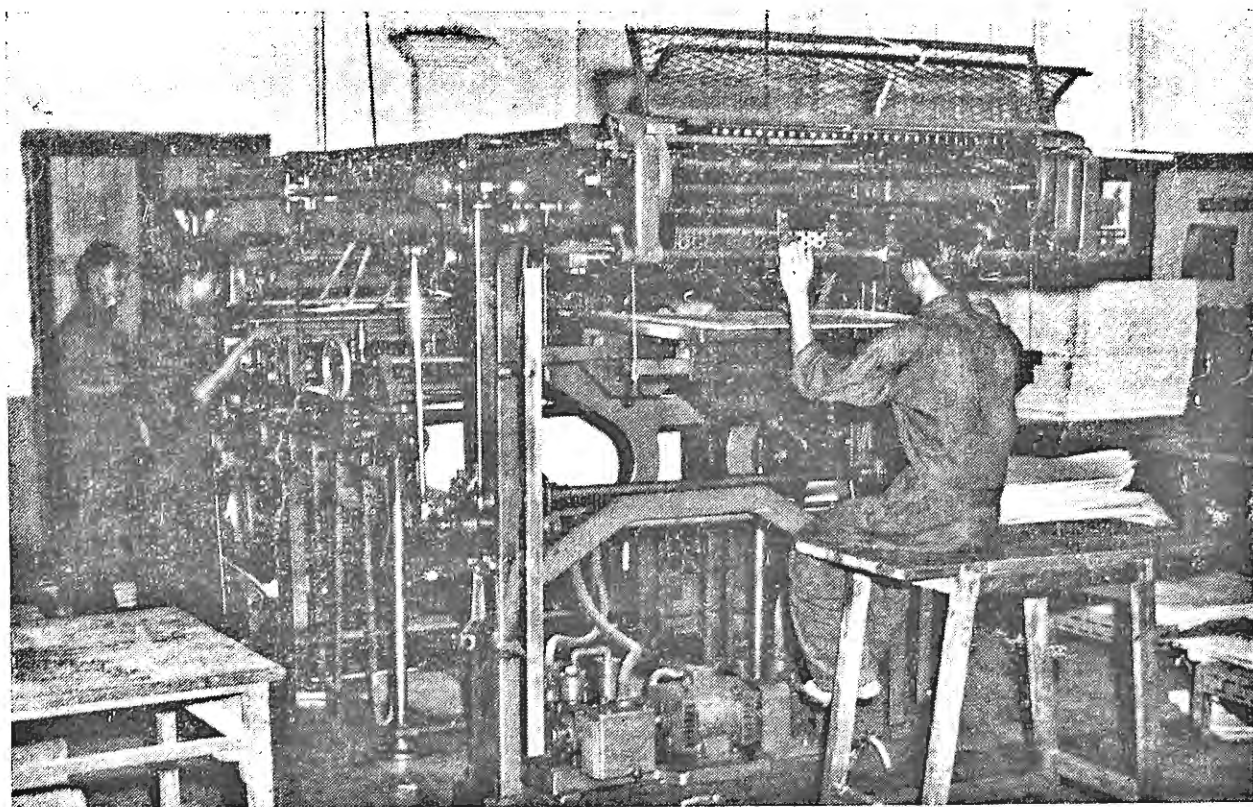
Registration work entails the functions to be carried out under the Registration Act, 1908, Money Lenders Act, 1947, and Transfer of Immoveable Property (Restriction) Act, 1947. The provisions laid down in these Acts, hitherto, not properly carried out, were vigorously enforced, and proper supervision and scrutinization were made during the year under report.

The Department of Settlements and Land Records deals with not only fixation and assessment of Land Revenue, but also agricultural and economic statements,

mapping, area statistics and land administration, which are basic statistics for all departments dealing with lands, agriculture, and national economy.

Thus, this Department has to supply fundamental statistics relating to lands, agriculture, and rural development, and also maps dealing with these statistics.

During the year under report, in addition to the regular duties, the Department has done a good deal of work, the nature of which has been mentioned above, for the Agricultural Department, Irrigation Department, Ministry of National Planning, Land Nationalization Department, Survey Department, Veterinary Department, Defence Department, Police Department, Lands and Rural Development Corporation, State Agricultural Marketing Board, State Agricultural Bank, Industrial Development Corporation, etc.



Multi-coloured map being printed by the Survey Department.

IV. Land Use Bureau

The activities of the Land Use Bureau during the year 1958-59, *i.e.*, during the regime of the Bogyoke Government are as follows:

Medium Scale Soil Survey of 1"=4 miles was conducted in Mergui and Tavoy Districts, the total area covered being 11 million acres.

In the year 1958-59, more areas were brought under Detail Soil Survey of 16"=1 mile. The total area covered was over 62,000 acres. These areas are Cotton Project areas in Mandalay, Kyaukse, Meiktila, Yamethin Districts, Kyetmauk-taung Irrigation Project Area in Kyaukpadaung Township and Sprinkler Project Area in Nyaungoo Township of Myingyan District.

Moreover, Detail Soil Survey of 1"=2 miles was also carried out in Hopong-Hse Hseng Area of Southern Shan State covering an area of 300,000 acres. All the abovementioned areas surveyed by the Land Use Bureau are the Project Areas of the ARDC.

In November 1959 another Detail Soil Survey of 1"=1 mile was conducted in Namsan Area, Loilem District, Southern Shan State for Burma Army's Resettlement Schemes. The total area covered was about 70,000 acres.

Reports and maps for the above-mentioned Project areas have also been completed and submitted to the Departments concerned.

Up-to-date the Bureau has completed the Soil and Land Use Survey as follows:

The total area surveyed by means of Medium Scale Soil Survey (1"=4 miles) is 70,608,274 acres.

Reports have been completed for 18 Districts.

As regards Detail Soil Survey, a total area of 82,359 acres have been surveyed on the scale of 16"=1 mile. In addition, 300,000 acres were surveyed on the scale of 1"=2 miles and 70,000 acres on 1"=1 mile scale.

Soil and Land Use Surveys were conducted under the guidance of the Soviet Soil Experts. Up to this day, seven Officers of the Bureau have been trained by the Soviet Soil Experts. In addition, 35 Field Clerks and 10 Assistant Field Clerks have also been trained.

In March 1959, one Chemist and two Assistant Chemists were sent to Israel on deputation terms to study soil science for one year.

V. Land Nationalization Department

As the Union of Burma is predominantly an agricultural country with the peasant population forming 85 per cent of its total, a new economic and social life for the peasants can be achieved only through systematic distribution of lands followed by mechanization and modernization of cultivation and other rural development measures.

The Land Nationalization Scheme was therefore implemented in the Union as envisaged in Section 30 of the Union Constitution, commencing from the year 1953-54.

During the five-year period from 1953-54 to 1957-58 land nationalization work was carried out in 1,848 village-tracts of 106 townships in 32 districts, covering an occupied area of 3,346,209 acres. The work completed is 17 per cent of the total.

The present administration, in reviewing the previous land nationalization work done

in the Union, has the view that the implementation of the Land Nationalization Scheme be done strictly in accordance with the stated provisions of the Land Nationalization Act and Rules, and that this should be done without the influence of any political parties.

With this end in view, District Land Committees, consisting of both Government officers and representatives of political organizations, were therefore dissolved and new District Land Committees formed purely with officers from departments mainly concerned with the agricultural sector of the locality, *viz.*, Agricultural, Veterinary, Forest, Agricultural Bank, Co-operative and Irrigation Departments.

The services of all Central, District and Assistant *Wundanhmus* who were, one way or the other, connected with political parties, were also terminated with effect from February 9, 1959.

The Land Nationalization Appellate Tribunal formed under Rule 80 (1) of the Land Nationalization Rules, 1954 and, which was formerly constituted with the Parliamentary Secretary as Chairman, the Chief Executive Officer, Land Nationalization and the Commissioner of Settlements and Land Records as Committee Members and one of the Executive Officers as the Secretary of the Tribunal, was also reconstituted with the Deputy Secretary of the Land Nationalization Ministry as Chairman. As the result of this change the Deputy Secretary is *ex-officio* member (Chairman) of the Tribunal and the position is unaffected by Parliamentary changes.

In order to review whether the land nationalization work completed during the past five years has been done in accordance with the provisions of the Land Nationalization Act and Rules and to conduct an enquiry as to how the land nationalization work should be carried out

in future, further implementation of land nationalization work in districts was temporarily suspended with effect from the year 1958-59.

Revision of past land nationalization work under Rule 79 (3) and Section 35 of the Land Nationalization Act is being carried out with the help of the Land Nationalization Department.

Exemption and distribution work done by Village Land Committees in proceedings numbering 185,684 and 173,355 respectively have already been scrutinized to date, out of which 10,002 and 4,482 proceedings respectively were found not in accordance with the Land Nationalization Act and Rules.

Necessary action is being taken under Rule 79 (3) and Section 35 of the Land Nationalization Act to revise these proceedings.

In order to examine whether the land nationalization work has been carried out in accordance with the underlying principles of the Constitution, the fundamental principles of the Land Nationalization Scheme and the stated provisions of the Act made thereunder, the Land Nationalization Enquiry Committee has been appointed under Section 3 of the Enquiry Committees Act of 1950, to conduct examination and report as set out in the terms of reference notified under Government of the Union of Burma, Ministry of Land Nationalization Notification No. 46, dated the 23rd May 1959 and to submit its report within four months from the date of its constitution.

The Enquiry Committee visited 9 districts and examined 1,375 witnesses, some of whom were from three other districts not so visited. Questionnaires were issued and suggestions called for from Government officers and the public and answers and suggestions from them were received. Basing on the findings from the above

sources of informations the Enquiry Committee has submitted its report on September 23, 1959 as scheduled.

If the suggestions and recommendations of the Land Nationalization Committee be considered and necessary changes in the law adopted to suit most, if not all, of the peasants, coupled with the experience gained previously, the future Land Nationalization Scheme, when re-implemented, will be more successful than in the past.

VI. Compensation Department

It may be mentioned that the Compensation Department was established in the year 1956 to conduct payment of compensation for lands resumed by the Government under the Land Nationalization Act, 1953. The total number of compensation proceedings instituted up to December 31, 1959 is 21,389.

During the period from November 1, 1958 to December 31, 1959, 6,460 proceedings were disposed of an equitable compensation under the existing Acts and Rules was paid to the land-owners.

Although land nationalization work has been temporarily suspended, payment of compensation continues, as it is incumbent on the part of the Government under the principles laid down in the Fundamental Rules to pay for the lands resumed for which no compensation has yet been paid.

Though land nationalization work was carried out in Sandoway and Kyaukpyu Districts as late as 1956-57 and 1957-58 respectively due to the lack of Government's sanction for the appointment of

Compensation Officers no action could have been taken to compensate the land-owners earlier.

However, the appointment of same could only be materialized during the tenure of Bogyoke's Government and necessary action taken to pay out compensation in those two districts.

With the issue of instructions from the Ministry of Land Nationalization during the period under report, every land-owner whose lands were resumed could enjoy not only the cash payment of K 2,500 but also a fraction of compensation under K 100 every time the lands were resumed.

Payment of compensation is made by cheques. Previous to the issue of directives from the Government in January, 1959, the Compensation Department had to incur expenditure at the rate of 15 pyas per cheque for the cheques drawn from the State Commercial Banks while the payee who received compensation and presented the cheques at the Treasuries also had to pay a stamp-duty of 15 pyas per cheque. Since the issue of the directives mentioned above, both this Department and the public have saved stamp-duty of 15 pyas per cheque.

The Land Nationalization Enquiry Committee was formed during the period under review and thereby afforded an opportunity to present the short-comings and difficulties connected with compensation work in the interest of the public.

In spite of difficulties encountered in the discharge of duties under the existing Act and Rules, work done during the period under review is most satisfactory.



U Thi Han, Minister

The Ministry of Supply at present controls the policy and procurement of "common user" equipments and stores required for all Government Departments, Boards, Corporations and Local Bodies. It has under its control the Union of Burma Purchase Board which carries out the executive functions of purchase, stock-piling and distribution of stores to the above-mentioned Departments and Organizations.

I. Aim and Object

The Union Government has formed this Board in order that all Government Departments, Government Sponsored Boards, Corporations and local bodies may, instead of purchasing in isolated units and thereby suffering from disadvantages of such purchases, pool together their common requirements of Common User Stores and purchase them in bulk through a Central Body with the least possible delay.

It is needless to point out such bulk purchases give the central authority considerable bargaining power and the

Ministry of Supply

suppliers are too willing in most cases to make price reductions and give the usual trade facilities.

The Board was formed without profit motive and all benefits derived from its activities are enjoyed by the Departments, Boards and Corporations dealing through it. The stores are charged at cost and a minimum percentage of handling charges is levied just sufficient enough to meet the expenditure of this Board.

II. Policy and Activities

(1) *Procurement.*—The Board adopts limited tenders system and in order to have as wide as possible international competition and to prevent needless delays in procurement, invitation of tenders are sent to Commercial Attaches of the various Embassies stationed in this country and also to the trade associations and Chambers of Commerce.

Efforts are made to make direct dealings as far as possible with the original manufacturers or their main exporters to enjoy the best of the trade benefits.

(2) *Clearance and Issue*.—The intention of the Board is to cater the stores at the least cost and with the least possible delay. Accordingly efforts are made to clear the stores on its own.

As a first stage, documentation and ex-wharf distribution of the stores are undertaken by the Board and employing haulage contractors for the transportation only and thereby keeping the cost of handling at the minimum by avoiding the use of clearing agents for all the goods imported.

(3) *Storage and Stock Piling*.—Certain amount of Common Users Stock items are procured and stored to have it readily available for immediate issue.

III. Achievements

It must be admitted that due to various reasons the Board has not been able to satisfy the wants of the indenters. Complaints such as delay in purchases, lack of service in distribution and undue delay in presentation of bills to the respective consumers are often received resulting in a large outstanding credit amounting to Kyat 736 lakhs.

It must also be admitted that the Government as the owner of the concern has not been pleased with the working of the Board in that the Board—

- (i) has not satisfied the indenters;
- (ii) has a large outstanding credit of K 736 lakhs;
- (iii) has a large outstanding debt of K 686 lakhs;
- (iv) has a large accumulated stock to the value of K 529 lakhs, and
- (v) has not been able to close the accounts for the financial years 1955-56, 1956-57, 1957-58.

In view of the above, General Ne Win's Government has taken the following appropriate steps to rectify and improve

from every possible angle at the shortest possible time:—

(1) *Procurement*.—In procurement it is extremely important not to have delays at any stage, so as to effect purchase within the validity offer and also to enable the Departments, Boards and Corporations to get their requirements within the shortest possible time.

Therefore, revision and examination of procurement procedures was made, with the view to achieve speedy disposal of the purchases. The progress may be observed from the comparison of monthly outstanding procurement cases as at 1st November 1958 and 15th January 1960.

Monthly Outstanding Cases
as at 1st November 1958 146 Cases.

Monthly Position as at
1st January 1960 ... 70 "

(2) *Clearance and Issue*.—Proper reorganization is effected by improving the system of Clearance and Issue. Regarding Clearance, to minimize further the cost of handling, total elimination of the third party involved in the Clearance, the haulage contractors for transportation, was made by undertaking the haulage work departmentally, thereby reducing the cost of clearance to the Board.

To maintain better security of the store-yard and to give better service to the indenters arrangements to change the location of issue section, originally centred among the stores godowns, to a separate enclosure aloof from the godowns has been made.

The practice of collection of stores by the indenters direct from the godowns has been eliminated by establishing a separate transit shed and issue godown in the new enclosure where all stores for issue are laid out before-hand. This reduces outsiders loitering in the yard, inconveniences to indenters and undue delays in delivery of stores.

(3) *Storage and Stock Piling*.—The system of storage has been modified, and after thorough examination, proper reallocation of the stores is undertaken in that alike stores accommodated in their own respective group in accordance with the SDLES stores grouping system.

In order to remove storage congestion at the headquarters, storage godowns and all weather approach roads to the Board's Tadagale sub-depot has been constructed and arrangements are underway for the construction of a new godown there.

(4) *Financial Matters*.—With the efficiency drive carried out by the General Ne Win's Government the Board took the opportunity to concentrate its attention in bringing its accounts up-to-date and clearing up long outstanding payments due by the indenters and to repay back the Union Government as far as possible the loans taken.

	K
(i) Outstanding dues by the indenters as at 1-11-58	736 Lakhs (Approx.)
Balance as at 15-1-60	343 Lakhs.
(ii) Loan taken from Union Government	686 Lakhs.
Balance to be paid as at 15-1-60	260 Lakhs.
(iii) Closing of accounts outstanding as at 1-11-58.	for the year— 1955-56. 1956-57. 1957-58.
Closing of accounts outstanding as at 31-12-59	Nil.

The system of accounting maintained by the Boards and Corporations were unsatisfactory, hence the Government has introduced commercial budgeting, estimated profit and loss account and working plans, uniformly.

IV. Value of Stock

Stores purchased by the Government of Burma headquartered at Simla, India, during World War II, stores of the 20 F.S.D. Japanese Restitution Stores (1945-46), Army Surplus Stores which were held by the Government Central

Stores Depot were handed over to the Union of Burma Purchase Board at the time of its formation.

Considerable portion of these stores were obsolete, old and incomplete. Residual stores of the Road Transport Department, on its winding up had to be taken over. The value of the above stores together with the Purchase Mission's stores and the regular Common User Stores purchased by this Board which were held in Stock as at 1st November 1958 amounted to K 529 lakhs approximately.

As a result of the changes in the disposal methods and the opening of a retail shop now planned to be implemented for better improvement, it is expected that appreciable value of the stock could be reduced in the near future.

V. Management and Control

For proper management and control, reorganization measures are taken and duties and responsibilities were accordingly established.

Office procedures and orders were revised wherever necessary to promote discipline and efficiency. These measures enabled speedy disposal, and arrears of work were noticeably reduced. Wastages wherever discovered were eliminated.

VI. Welfare of Officers and Staff

Inasmuch as the efforts of officers and staff are called for to fulfil the duties and responsibilities, measures for their welfare have not been overlooked. A welfare shop has been opened to avail the officers and staff of their necessities at the cheapest possible rates.

Unrecognized and improperly organized credit societies were abolished and replaced by a systematic credit society in accordance with the rules and regulations recognized by the Government.

Ministry of Mines



Brigadier Tin Pe, Minister

The Ministry of Mines has, under its organization, the following departments:

1. *Burma Geological Department.*
2. *Mines and Explosives Department.*
3. *Mineral Resources Development Corporation.*

I. Burma Geological Department

As a department of the Government of the Union of Burma whose functions entail scrutiny of every inch of the surface and subsurface and visits to all corners of the country a great fillip has naturally been given to this Department's work during the above period due to the general improvement in the security situation throughout the country, thus allowing the officers of the Department to undertake their work with more security in more areas of the country than has hitherto been possible.

Thus, it will be possible to complete the production of the geological map of Burma on the scale of 1 : 2,000,000 by the end of 1960, by being able to make reconnaissance traverses in areas which could not be safely visited in the past.

(A) REGIONAL GEOLOGICAL MAPPING

The activities of this Department with regard to regional geological mapping of the country are as follows:

With the purpose of completing the geological map of Burma on the scale of 1 : 2,000,000 by the end of 1960, reconnaissance surveys with the help of aerial photographs were carried out in unsurveyed areas of the Southern Shan State and Kayah State.

The surveys were made as an experiment also to determine the extent of accuracy and detail of the results of performing wide traverses with the aid of aerial photographs. Approximately 4,000 square miles of area was covered.

At the moment of writing this note, field parties are busy mapping in the Southern

and Eastern Shan State, and in Bhamo, Myitkyina and Katha Districts.

With the view to improving the standard of living of the inhabitants of the frontier areas by the exploitation of economic mineral deposits that may exist in the area, an area measuring about 2,000 square miles in the Naga Hills District in the northwest Indo-Burma frontier region was geologically mapped and explored for minerals.

At the same time additional reconnaissance traverses were also accomplished in the adjoining Shinbuiyang and Donhi localities with a view to complete the stratigraphical and structural data required for the assigned portion.

In the north-eastern Wa States an area of about 300 square miles was geologically mapped on the scale of one inch to two miles which is the only available topographic map of the area. In the course of mapping, preliminary appraisal was made on some of the mineral occurrences of the area and investigations were undertaken on some of the old abandoned mines.

In this connection, two lead occurrences in Fuhkwan Chai and Law Yan Tee were found to merit further investigation while about 40,000 tons of lead slag were encountered in the neighbourhood of Lufang.

Regional geological mapping together with mineral reconnaissance were undertaken in the Namma and Kangan areas, Mogaung subdivision, and Hukawng Valley area, Hukawng subdivision in the Kachin State, with the main objective of discovering and appraising the primary sources from which gold found in the alluvial deposits in the area was derived, and to look for other mineral deposits that may be found in the area. In the course of the survey, geological mapping was undertaken covering about 1,000 square miles on

the scale of one inch to 4 miles in the Hukwang Valley and about 250 square miles on the scale of one inch to one mile in the Namma-Kangan region.

In the Namma-Kangan region, gold was found to be the most noteworthy mineral of the area and it was inferred from the evidence obtained that the gold was derived from quartz veins somewhere on top of the ridge in which locality of roughly 3 to 4 square miles of area all the *chaungs* where gold washing was undertaken have their source. Coal seams were also found in the area.

In the Hukwang Valley the thickness of the jungle has restricted survey to major traverses along rivers in which gold washings were reported. Although this survey was incomplete no evidence has so far been found to give the occurrences immediate consideration for further detailed study.

(B) RADIOACTIVE MINERALS SURVEY

Considering the use of atomic fuel for power generation is now a commercial feasibility, it is important for Burma to investigate her resources of atomic mineral deposits. Thus, this Department undertakes as far as possible within her resources atomic mineral survey of the country. The results achieved are summarized below.

On the recommendations given by the United Nations Radioactive Mineral expert, reconnaissance radiometric surveys were made at known mineralized areas of Khweaik Taung, Thachu Taung and Mibaya Taung in the Heho Plain of the Southern Shan State, since uranium sometimes occur together with other metals, but no significant anomalous radioactivity was encountered.

In the Mogok ruby mines area the few high radioactive readings obtained were mainly due to refractory minerals in the gem placers.

At the Panget iron deposits although some types of siderite was found radioactive, the sources of the radioactive minerals could not be traced.

Under the circumstances it must be assumed that radioactive minerals are not present within the effective range of the counters.

In the Southern Triangle area various places considered favourable for the occurrence of radioactive mineral deposits by the Yugoslav geologists who conducted exploration for copper in the area, were inspected.

Rocks which could have high radioactivity have been encountered but the results were all negative.

The ground follow up survey of the radiometric and aeromagnetic anomalies detected by airborne scintillometer and magnetometer survey carried out by Hunting Geophysics Ltd. in the Victoria Point area was undertaken jointly by the geological and geophysical parties.

It was found that the rocks of the areas showed no abnormally high radioactivity and the anomalies were apparently due to the granite intrusions and its washed decomposition products.

(C) ECONOMIC MINERAL INVESTIGATIONS

A mineral resources inventory is a prerequisite in the intelligent framing of development schemes either for the production of raw materials for export or for use in the country either in their primary form or for manufacturing into secondary products.

For the compilation of the mineral resources inventory, a full knowledge of

known ore deposits, their geological setting, knowledge of where to look for extension of old and discovery of new deposits within any area are necessary.

Realizing the importance of a mineral resources inventory this Department is undertaking a detailed study of all known mineral occurrences either worked out, abandoned, under present development or idle.

Three mineral deposits, *e.g.*, Kanbauk, Pagaye and Heinda under exploitation in Tavoy District have been studied.

In carrying out this work, geophysical methods have, wherever feasible, been used.

In compliance with the requests made by the respective Ministries concerned this Department investigated the economic possibilities of the old galena workings at Chanyinku and Law Hkaung Taungdan in the Kachin State and some of the mineral occurrences of the remote parts of Kayah State.

Initial exploration for raw material resources required for the Cement Factory and the convenient location with respect to the proposed site selected was also carried out at the Kayah State.

The raw materials were located at Lawpita, Nam Pawn, the area surrounding Seven Lakes, and the area around Tolong village.

The raw materials at Lawpita were later reported by the Yugoslav consultant as to be not only satisfactory in grade but also favourably located.

(D) GEOPHYSICAL SURVEYS

In connection with geophysical surveys, iron indications of Mibaya Taung, copper

indications of Khweaik Taung, Thachu Taung, Heke and Pakin in the Heho area, Southern Shan State, were investigated using self-potential, electromagnetic, and horizontal and vertical force magnetometers in an attempt to locate the sources of the minerals. Significant anomalies were found at Pakin suggesting that further investigation be continued by using diamond core drill. Strong indications from probable sulphide deposits were located at Thachu Taung.

The mineral indications were believed to be sufficiently important to warrant drilling and detailed recommendations to this effect has been made and should the results be found favourable the investigation is to be continued into the nearby Khweaik areas.

Similar investigations for lead were made on the old Lufang Mines in the north-eastern Wa State, but with no significant result. Ground follow-up of a series of aeromagnetic anomalies found by Hunting Geophysics Ltd. in their airborne survey in the Victoria Point region was undertaken jointly with the geological party but no ore bodies could be detected.

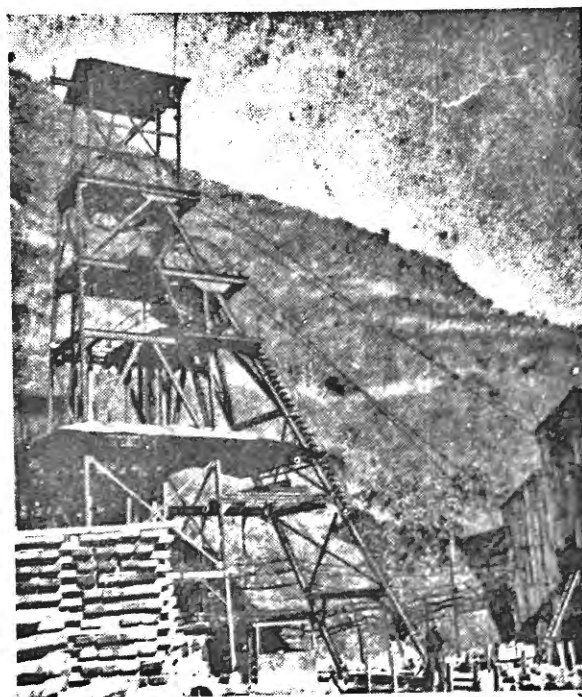
Investigations for lead are still being made at Myinbyu, Dokta, Yathagaungyo and Loisin in the eastern part of Mandalay district.

With a view to augment the output of tin and wolfram to increase foreign exchange earnings, Bogyoke's Government has decided to explore for and undertake detailed appraisal of the above mineral deposits by Government so that areas already blocked out and either ready for exploitation or for only some more detailed prospecting can be issued under either mining lease or prospecting licence to interested parties.

In accordance with that policy this Department is at present undertaking exploration for tin and wolfram in the Tavoy and Mergui districts.

This work will generally assist those interested in tin and wolfram mining as most of the easily accessible and more obvious deposits have more or less been already discovered and it requires scientific ingenuity to discover new deposits. It is expected that this work will be of great benefit to the country.

The policy so far adopted by the Government has been to look for and appraise only those minerals that will be of use in the industrialization programme of the country drawn up by the Government; and to assist those interested in mining in a general way only by undertaking geological surveys to delimit mineral bearing areas and publication of information on any mineral deposit that may be discovered in the course of the geological survey of the country.



Bawdwin lead-zinc mine in the Northern Shan State. Picture shows the marmion shaft being used

(E) PETROLEUM SURVEY

Prior to the Second World War, Burma produced over one million tons of crude oil a year, whereas post-war she has only been able to produce about forty per cent of pre-war production and that only very recently. Petroleum is one of the most important natural resources and in fact is the most important mineral resource of Burma.

Realizing the importance of petroleum in the economy of Burma, Bogyoke's Government has taken measures to tighten up the petroleum administration which has become somewhat lax post-war.

Statements of results of geological and geophysical examinations, including a complete history of the wells, formation records, electric logs, and results of all tests; daily drilling records, logs and complete information of all surveys and tests of all wells drilled in areas held under concessions and underground strata encountered in the course of drilling held under concessions are at present collected and preserved for future reference.

In order to ensure that the petroleum resources of the country are being explored sufficiently and as quickly as possible measures are taken to check whether the concessionaires are carrying out their work obligations with all reasonable despatch and are incurring sufficient expenditure for carrying out examination of the area held under concessions by topographical or geological surveys, mapping or cross-sectioning, geophysical surveys or other means of investigation, exploratory drilling, or any combination of such work, etc.

Measures are also taken to check that the concessionaires are exercising reasonable diligence in their operations, that such operations are being carried out in accordance with good oilfield practice, having due regard to prevention of waste of petroleum or damage to deposits or formations containing petroleum, water, coal or

other mineral deposits and that wells are properly and effectively plugged before abandoning the same, etc.

As an organ of the Government responsible for the technical side of petroleum administration, this Department has taken active measures to implement Government's policy by compiling and indexing petroleum concessions map of Burma, preparing an oil and gas occurrence map of Burma for easy reference by parties interested in obtaining petroleum concessions in Burma.

Besides being able to play a more effective part in petroleum administration, this Department has also been able to participate in the search for gas for supplying the Cement Mills at Thayetmyo.

Although this type of work has so far not been included as one of the functions of this Department previously, the urgency of the problem and the dearth of trained personnel in the country have necessitated this Department to step in and assist to the utmost level of its capacity in solving the problem.

In this work this Department has co-operated with the Rumanian oil technologists. The Department's personnel are at present busy undertaking or assisting in undertaking geological and geophysical surveys in the Thayetmyo area as recommended by the Rumanian technologists.

With the transfer to the Burma Geological Department of the Exploration and Survey Department of the Mineral Resources Development Corporation together with the Chemical Laboratory and Drilling Sections, this Department is now in a position to undertake the geological information on bore hole drilling also.

This wise step taken by Bogyoke's Government in amalgamating the departments with similar functions will not only enhance the efficiency of the work undertaken by each on its own before, but also minimize the expenditure incurred.

(F) HYDROGEOLOGICAL SURVEYS

Although Burma on the whole enjoys a high rainfall, some parts of the country, especially the central zone, suffers from water shortage, very acute in the dry season. This has remained an unsolved social problem for generations. The only way in which this problem can be solved is by undertaking intensive research of water resources of the region.

It is proposed to investigate the thickness, type of strata and underground water conditions of alluvium by means of existing well records, by sinking experimental wells and by geophysical methods in the localities where the Irrawaddian and Pegu rocks contain sweet water.

There is at present no effective control over the existing groundwater reservoirs. Groundwater resources, like all other mineral resources, are depleting assets except that generally there is natural replenishment in the case of groundwater.

However, unless the amount extracted is approximately equal to the amount replenished there is the danger of the exhaustion of the groundwater resources. In some cases uncontrolled extraction may allow brackish water infiltration. The importance of controlling the exploitation of the existing water resources can thus be appreciated.

It is therefore proposed to begin a detailed study of the existing groundwater resources for purpose of control and conservation commencing in the Rangoon area and then to extend the work to other areas in Burma.

There are areas in Burma where land suitable for agriculture exists, but owing to insufficiency or irregularity of rainfall, crops cannot be raised. Such areas could possibly be irrigated by river water or by impounding reservoirs.

However, quite large tracts remain which cannot be irrigated by either of the above



Tiger-tunnel ore discharging point and Wallah Gorge ore storage bins at the Bawdwin Mine

methods but which could possibly be irrigated by groundwater. Also in areas of regular and abundant rainfall, there may be places which can be irrigated by groundwater thus enabling the raising of more than one crop a year.

Besides surface studies, collection, compilation and conservation of hydrogeological data obtained in the course of drilling of water wells by other Government agencies and private firms or individuals the Department has not been able to undertake the above regional studies in the past for lack of drills.

However, with the transfer of the drilling section of the Mineral Resources Development Corporation to this Department it has now become possible for this Department to undertake the above-mentioned work effectively.

At the present moment this Department is undertaking hydrogeological mapping of the Meiktila and Yamethin areas as a preliminary to detailed investigations by drilling with a view to discovering sources of drinking water supply for villages and towns as well as locating underground water which can be used for irrigation.

The area of hydrogeological survey embraces a varied complex of possible water bearing rocks and extends to the presumed area of their feeding, which will allow, as a result of survey and prospection, to make a preliminary estimation of groundwater resources and to carry on further hydrogeological investigations in the Dry Zone on a firmer basis.

A beginning is also being made to obtain data on geological formations, stratigraphical and structural relationship. Static groundwater levels, groundwater discharge and recharge relationship and bacteriological and chemical analytical results to enable to control the exploitation of water bearing horizons in the Rangoon area.

(G) CONCLUSION

In conclusion during the period 1st November 1958 to February 1960 of Bogyoke's Government due to the general improvement in the security situation it has been possible for this Department to effectively implement its plans to complete the 1: 2,000,000 geological map of Burma by the end of 1960.

The Government's policy of exploring for tin and wolfram deposits will not only assist private persons interested in mining, but will also quicken the discovery of tin and wolfram deposits. Petroleum administration has been tightened up and lastly mineral, petroleum and groundwater explorations have been made possible and more effective by transfer of some of the departments of the Mineral Resources Development Corporation to this Department.

II. The Mines and Explosives Department

The Mines and Explosives Department is a department under the Ministry of Mines and was established with the primary task to promote and develop the mineral resources and the mining industry. The functions of this Department could be summarized as follows:

- (1) Administration of the Mines Acts, Petroleum Acts, and Explosives Acts, etc.;
- (2) Advising the Government on mineral policies;
- (3) Advising on the technical provisions of the Mineral Concessions Rules;
- (4) Giving technical assistance and advice to indigenous mine operators on the rehabilitation and mechanization of the mines; and
- (5) Compilation and analysing of mineral statistics.

The progress and achievement of the Department during the period under review is satisfactory. This Department being an administrative and advisory body could not claim for its achievement and progress in terms of statistics and figures. However, the success of this Department's work would be reflected by the general progress achieved in the development of the industries and national economy of the country.

The progress of the Mines Inspectorate Section of this Department comparing the number of mines inspected annually during the past four years is indicated as follows:

TABLE I

Year.	Total Mines.	Mines Inspected.	Percentage of Total Mines.
1956	...	322	11 3.42 %
1957	...	294	11 3.74 %
1958	...	253	30 11.86 %
1959	...	217	41 18.89 %

With the appointment of the Assistant Inspector of Petroleum during the period under review, remarkable achievement and progress were made in the work of the Petroleum Inspectorate Section. Table II illustrates the increase in the activities of this Section:

TABLE II

Year.	Explosives Magazine.	Petroleum Storage.	Road Tank Vehicles.	Carbide Storage.	Total.
1956	...	...	7	...	7
1957	2	...	2	...	4
1958	3	4	4	3	14
1959	3	69	15	1	88

The Technical and Engineering Section of this Department was able to procure the much needed laboratory equipment during the period under review, and plans have been made to establish the Testing Laboratories during this year.

The Department initiated a Technical and Economic Investigation programme to study the joint-venture mining enterprises for better exploitation and utilization of the deposits. An Economic Mining Expert was obtained from the UNTAB to assist this Department in implementing the above programme.

This Expert made a preliminary study of the lead-zinc mine in the Northern Shan State and submitted a proposal for carrying out the investigation programme with the UN Special Fund. He is also assigned to investigate the economic feasibility of additional capital investment for the expanded exploitation of the Heinda tin deposit of the Anglo-Burma Tin Co. (1956) Ltd.

In conclusion, this Department was able to perform all the duties assigned to it. The work of this Department in all spheres has been greatly facilitated by the improved security conditions and the observance of law and order by the public, and in particular the improved security conditions in the mining districts have made the inspection work more effective.

III. The Mineral Resources Development Corporation

The setup of the Mineral Resources Development Corporation (MRDC) as existed before was reviewed under the Bogyoke Government, and it was found that in order to place the Corporation on a sound economic footing, it was necessary to reduce its activities in many spheres.

As a consequence, the dismemberment of MRDC took place with effect from April 1, 1959 and various sections of the Head Office and the projects in the districts were either merged with the Industrial Development Corporation (IDC), administratively, or were placed directly under the control of the Ministry of Mines.

After being merged with IDC, the MRDC continued with the operation of three projects, *viz.* :

1. Yadanabon Mine Project, Mergui District ;
2. Kalewa Coal Project, Kalewa ; and
3. Mineral Marketing Project, Rangoon.

Of these projects, a marked physical progress has been achieved by the Mineral Marketing Project, in that, sales during the period under review have been more than triple that of sales effected during the year 1958. This programme in mineral marketing can be taken as a direct result of the progress in the Yadanabon Mine Project, whose produce represent the major portion of the sales effected by the Marketing Project.

A statement showing the tonnage of minerals sold during the 14 months from November 1, 1958 to December 31, 1959, and during the years 1957 and 1958 is attached. It will be seen that the total value of minerals sold during the period under review have increased to a great extent. These earnings are in foreign exchange.

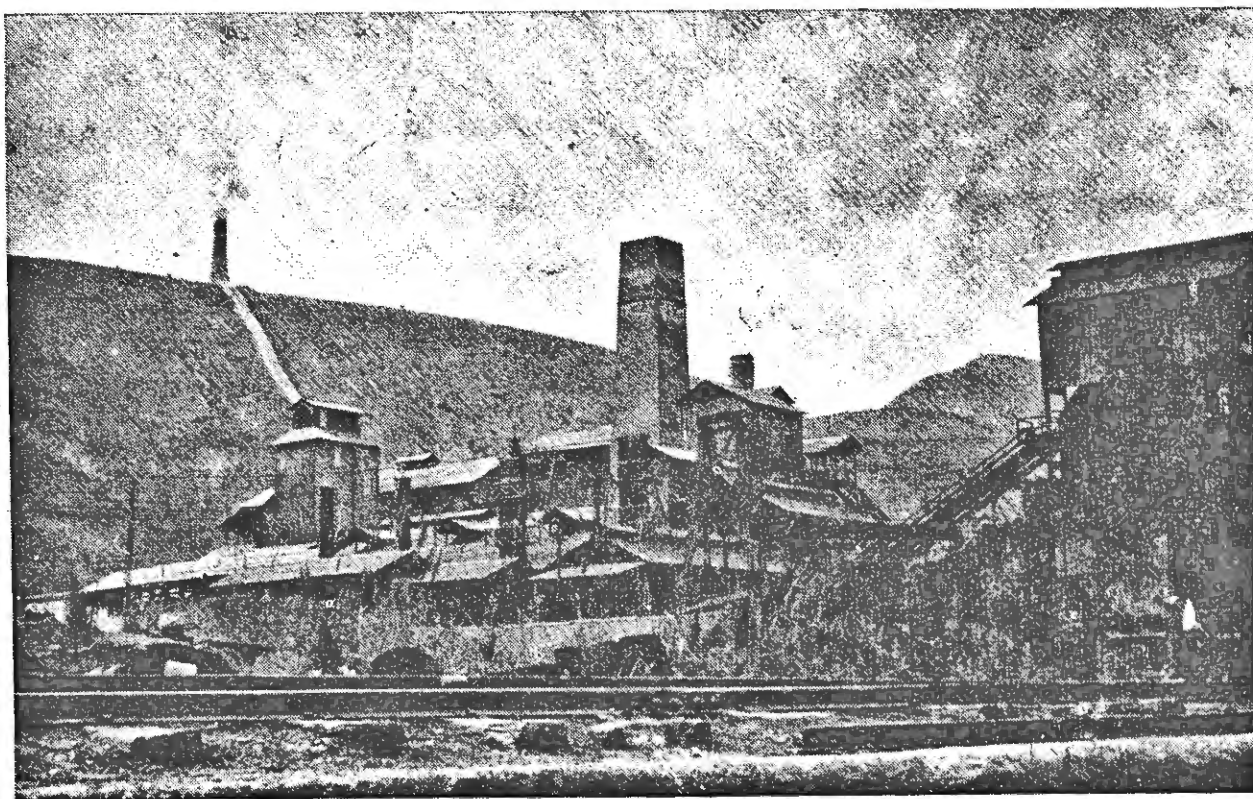
Slack sales during the period from February to October 1958 were attributable to the fall in the price of metals, especially that of wolfram, whose price fell as low as

60 sh. per unit, as a result of which wolfram produced by the Yadanabon Mine Project were stockpiled awaiting further rise in the price.

However, just at the beginning of the Bogyoke Government, *i.e.*, from November 1958, the price of wolfram steadily rose until today it stands at 152 sh. per unit (Kyat 6,300 per ton at 65 per cent WO-3) and with a view to earning as much foreign exchange for the country as possible, opportunity was taken of this rise in the price of wolfram to sell out all available stock of the same.

The result has been more foreign earning for the country.

Moreover, sale of silver and lead to local silversmiths and local industries was undertaken by the Mineral Marketing Project previously by purchase from the Burma Corporation (1951) Ltd., and distribution to the consumers on $2\frac{1}{2}$ per cent commission.



Namtu lead smelting and refining plant in the Shan State

Now the monopoly of sale of silver has been vested with the Mineral Marketing Project which gets a profit of K 1 on every ounce of silver sold. An average of 1,000 ounces is sold every month.

Negotiation was also concluded in December to import K 5,00,000 worth of aluminium ingots under the import licence issued by the Ministry of Trade Development.

Moreover, as the result of the discussions held between the Director of Industries and the Director of Import and Export, the Mineral Marketing Project has been handling all the imports of metal ingots for local industries and other Government Departments.

As far as the Kalewa Coal Project is concerned, the MRDC has requested for the services of two technicians from the Government of the Federal Republic of Germany under the Technical Aid Programme. Planning for production of 300 tons per day is under preparation for the project.

Moreover, we have received confirmed reports by Research Officers, UBARI, and Railway Engineers, that the coal from the lower coal seam is very good for use in locomotives, after having conducted various tests by them. Arrangements have also been made to extract and conduct testing of coal both from upper and lower seams.

Negotiations are also being conducted for the formation of a joint venture company between MRDC and the Japanese firms of (1) Nichimen Co. and (2) Nisshoco, to exploit the iron ore deposits of Maputch Island of the Mergui Archipelago. It is contemplated that the joint venture company will come into being in the very near future.

It has been planned to produce about 120,000 tons of iron ore per year and a total of 1,000,000 tons of iron ore within eight and nine years. It will benefit the Union if the proposed joint venture is successful.

In conclusion, with the rise in the price of wolfram, arrangements have been made for a maximum production drive at the Yadana-bon Mine starting from July 1959. Higher production of wolfram will bring in more foreign exchange for the country.

Sale of minerals during 1957-1958 and 1959

		<i>Tonnage.</i>	<i>Amount.</i>
	1957.		K
Lead	...	2,455-15-3-20	1,28,699.10
Wolfram	...	138- 5-2- 0	10,64,987.17
Tin	...	136- 0-0-14	8,19,034.37
Manganese	...	343- 6-0- 0	1,35,877.91
Total	...	3,073- 7-2- 6	33,06,198.55

January to October 1958.

			K
Lead	...	630- 0-3-13	3,57,262.91
Wolfram	...	45- 0-0- 0	1,71,644.51
Tin	...	49- 6-1- 0	3,44,946.81
Manganese	...	425-12-0- 0	1,12,532.87
Total	...	1,149-19-0-13	9,86,387.10

November 1958 to December 1959.

Lead	...	1,187-19-0-15	6,78,166.96
Wolfram	...	446- 6-4-11	16,22,052.49
Tin	...	64-13-3- 5	4,54,713.91
Zinc	...	220- 0-0- 0	55,199.43
Tin/Bismuth	...	41-11-3-14	2,70,710.23
Total	...	1,960-11-3-17	30,80,843.02

Ministry of Finance and Revenue



U Kyaw Nyein, Minister

The Ministry of Finance and Revenue includes the following departments and banking concerns:

1. *Union Bank of Burma.*
2. *State Commercial Bank.*
3. *Income-Tax Department.*
4. *Commercial Taxes Department.*
5. *Commercial Audit Department.*
6. *Customs Department.*
7. *Excise Department.*

I. Union Bank of Burma

The most outstanding financial development during the period of Bogyoke Ne Win's Government was the sizable build-up of foreign exchange reserves, to the extent of about K 10 crores, from K 65 crores in November 1958 to K 75 crores in December 1959. The Union Bank's foreign exchange holdings alone shot up by K 7 crores during this period.

The conservative financial policy of General Ne Win's Government was largely responsible for this marked improvement in the reserve position. As the custodian of the nation's international reserves, the

Union Bank has to maintain foreign exchange holdings at a level not lower than 25 per cent of the Bank's liabilities on account of deposits and currency in circulation. This ratio stood at 46 per cent at the close of December 1959, well above the statutory minimum requirement.

The administration of the Exchange Control was generally tightened and its efficiency improved. Cases were disposed of expeditiously, exchange rackets were brought to light, leakages of foreign exchange were stopped, travel for pleasure was banned, and measures were taken for quicker realization of foreign exchange

proceeds. All these measures helped to some extent in the build-up of foreign exchange reserves.

In the field of bank credit, it is the duty of the Union Bank to see that the banks do not lend excessively to their customers so as to facilitate hoarding and profiteering, which would tend to push up the cost of living.

Bank credit to the private sector, which stood at K 26 crores in November 1958 increased by only K 3 crores during the 14 months of Bogyoke Ne Win's Government under review. This could be regarded as a normal expansion in bank credit commensurate with the requirement of a corresponding increase in production and trade.

In line with the Government's policy of maintaining price stability, there was no undue expansion of credit to the private sector.

II. State Commercial Bank

(A) BUSINESS OPERATIONS

The liquidation of the insurgency, with a subsequent restoration of law and order in most parts of the country and the large measure of success achieved by the Government of General Ne Win in both economic and political fields have contributed largely towards expansion of the bank's business during the period November 1958 to December 1959, as evidenced by a comparison of the principal items of the balance sheet for two years produced below.

The bank's balance sheet drawn up annually as at June 30 of each year covers for the year 1959 eight months of banking business transacted during the tenure of General Ne Win's Government.

The general business condition, as well as the bank's business, increased further towards the end of the year 1959, due to liberalization of imports by the Government and promotion of exports.

Particulars.	(In thousands of Kyats)	
	30th June 1958.	30th June 1959.
Deposits ...	4,091	4,807
Bills Payable ...	121	124
Other Liabilities ...	266	675
Cash (in hand and with banks and treasuries) ...	1,022	1,392
Loans and Overdraft ...	722	739
Discounts ...	33	41
Investments ...	2,951	3,617
Other Assets ...	125	103
Acceptances, Endorsements and Guarantees ...	988	1,894
Total Assets/Liabilities	5,742	7,786

The increase in deposits was largely due to the growing community of the Bank's customers, both private and Government. The number of private and Government accounts increased from 11,195 and 763 on June 30, 1958 to 14,530 and 963 respectively at the end of June 1959. Deposits at K 4,807 lakhs represented 49 per cent of the total deposits of all commercial banks in Burma, as against 48 per cent last year.

The number of borrowers continued to increase. The bank advanced by way of loans and overdrafts a total of K 7,39.10 lakhs on June 30, 1959 as against K 7,21.51 lakhs on June 30, 1958, and this represented about 34 per cent of the total Commercial Bank advances of the same nature on that date as compared with 29 per cent last year.

The bank also continued to pay special attention to the financing of Burmese industries on a short-term basis, and advances of this nature were 45 per cent more than that advanced a year ago.

In the last quarter of 1959 the bank made an all-out effort to implement the Government's policy of financing paddy purchase through indigenous banks rather than through SAMB as in previous years. At the time of this report, loans sanctioned by the Board for the purpose throughout the country has reached sizable proportions.

In the field of foreign business, special financing programmes, such as Barter and PL 480 transactions and transactions under ICA and World Bank Loans, were effectively

handled. Export transactions passing through the bank showed a welcome increase of 44 per cent. The bank's international representation expanded still further and on June 30, 1959 it was represented in 47 countries by 73 banks of first class international standing.

The resources of the bank as represented by the Balance Sheet total had increased from K 5,742 lakhs on June 30, 1958 to K 7,786 lakhs at the end of the year under review, and this total is the highest recorded since the inception of the bank.

The net profit for the year 1958-59 together with the balance of K 24.86 lakhs brought forward from the previous year amounted to K 1,24.94 lakhs. The bank was able to declare a dividend of 14 per cent for the year 1958-59 as against 12 per cent for 1957-58 and 10 per cent for 1956-57.

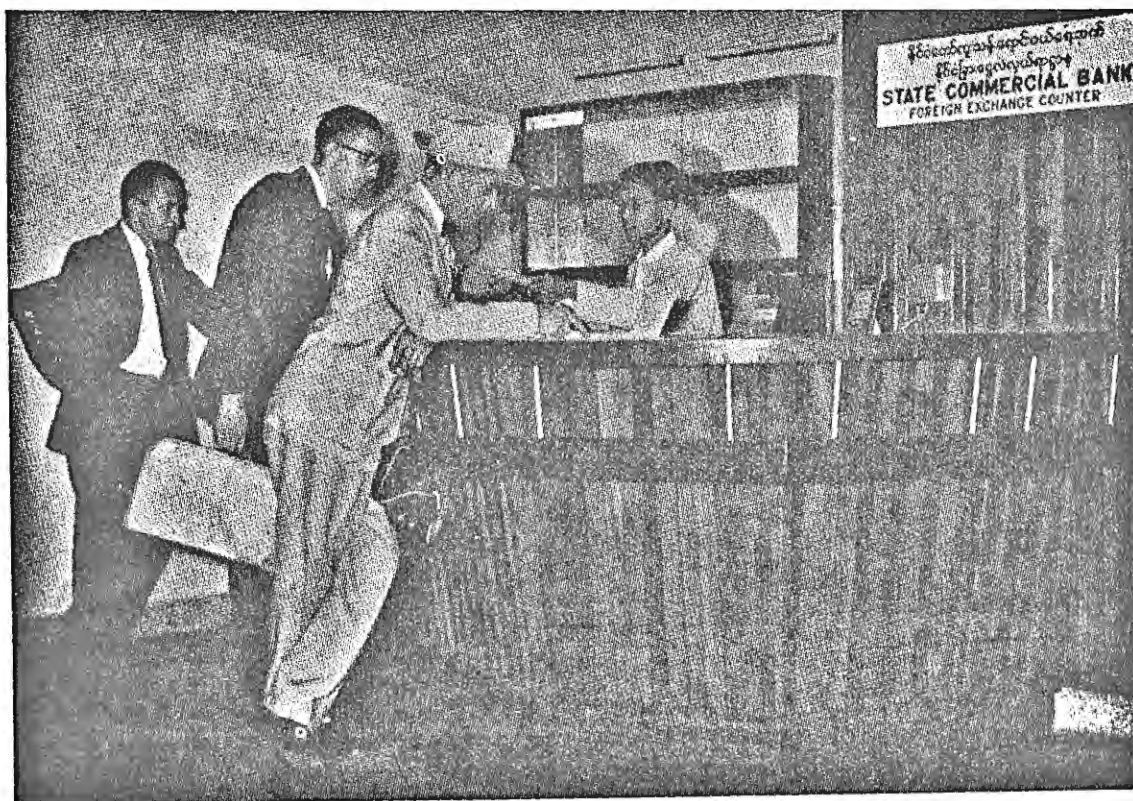
(B) ORGANIZATION

As a result of the continuing expansion of domestic business, the number of personnel

at the Head Office and at various branches had to be augmented. During the period, the total strength of the bank increased from 64 officers and 730 other employees on June 30, 1958 to 72 officers and 840 other staff on June 30, 1959.

Six branches were successfully opened at Magwe, Toungoo, Pyapon, Tharrawaddy, Pakokku and Myitkyina while 4 sub-offices were opened at Myaungmya, Maubin, Thaton and Bogale. Arrangements are also being made to open branches at Myaungmya, Mergui and Maubin in the near future.

In line with the policy of the Government of General Ne Win to promote efficiency in various Government Departments, a vigorous drive was made by the management to maintain speed and efficiency in services to customers. An intensive 6-month training course for officers and supervisors was also held and the Bank deputed a record number of 6 officers for training abroad during the year, thereby



Branch office of the State Commercial Bank at the airport

bringing the total number of officers trained abroad to 19.

The Third Annual Managers' Conference was held from 14th to 18th September 1959. The Conference was held a month earlier than usual to enable Managers to conduct early discussions on the various aspects of the scheme to take over paddy purchase advances from the SAMB in all areas where the Bank would be operating. The importance of launching a greater efficiency drive at the branches was stressed and various problems and plans for future expansion were discussed at the Conference.

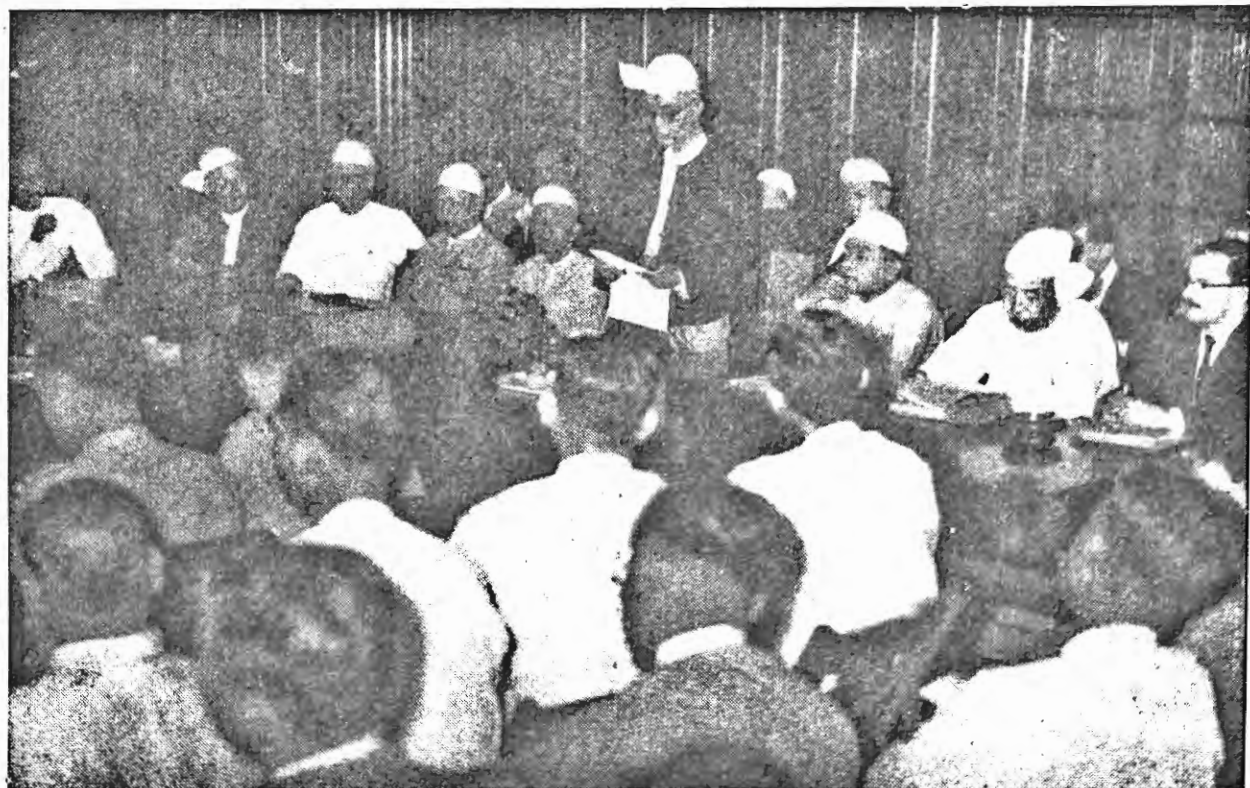
As most of the branches were located in rented buildings, the bank made every effort to acquire permanent buildings or sites for branches, for more efficient service. The construction of branch buildings at Mandalay and Moulmein are nearing completion, while sites have been acquired at Akyab, Taunggyi, Prome and Pegu for permanent branch buildings.

III. Income-tax Department

Total revenue collected by the department for the period under review from November 1958 to December 1959 are as follows:

		K
(a) From Government		
Boards and Cor-		
porations ...	8,12,92,078	
(b) From Private Sector	12,76,08,183	
Total ...	20,89,00,261	

Determined exertion and relentless effort on the part of responsible officials of the department for the realization of full measure of the exact revenue potential as determined by the provisions of law in force and the extent to which the tax-payers could bear the strain is clearly reflected in the collection of K 12,76,08,183.00 from the private sector, which exceeds the total of the preceding corresponding fourteen



Deputy Prime Minister U Lun Baw addresses the Budget Seminar sponsored by the Directorate of Commercial Audit (August 12, 1959)

months by K 1,10,90,739 (*i.e.* approximately 1.11 crores).

For this remarkable achievement, the department is indebted, in no small extent, to the firmer administrative hold which the present Government is exerting all round, coupled with a greater consciousness of civic duties and obligations on the part of the public.

The department also continued to seek ways and means to improve assessment dragnet with renewed vigour under the dynamic leadership of the Army Officers attached to it.

As a means to this end, the department has undertaken the compilation of the names of all the income-tax assesseees in the country with full particulars as to their

respective addresses, trades and the groups or circles of assessment.

With the co-operation of the public in general and the connected business communities in particular, this measure may go a long way towards reaching at those who have so far craftily managed to dodge the tax-collector.

IV. Commercial Taxes Department

Owing to redoubled efforts on the part of officers and staff of this department during the tenure of General Ne Win's Government, there has been a definite increase in the collection of revenue compared with that of the corresponding period of the previous year. The statement below serves as a pointer to the progress achieved by the department under the Caretaker Government.

Periods	Entertainment Tax	Hotel and Restaurant Tax	Business Premises Tax	Sales Tax	Total	Remarks
	K	K	K	K	K	
Nov. 1958 to Dec. 1959 (14 months).	91,38,229	16,55,748	30,83,608	4,92,04,728	6,30,82,403	Estimate Total of K 43,42,252 from the district towns not included.
Nov. 1957 to Dec. 1958 (14 months).	92,19,129	15,20,596	22,97,087	4,31,42,473	5,61,79,285	

V. Commercial Audit Department

Since independence, many Boards and Corporations have been formed in rapid succession in implementation of the policy envisaged in Section 44 of the Constitution of the Union of Burma. These commercial Boards and Corporations which have been formed under the sponsorship of the Union Government now number well over thirty.

As the investment of capital by the Union Government in these Boards and Corporations runs into crores of kyats, it is of vital

importance to periodically audit the accounts of these Boards and Corporations.

This important responsibility falls on the Auditor-General on whose behalf the Directorate of Commercial Audit conducts the audit. The Audit Reports thereof are in due course submitted by the Auditor-General to Parliament.

Due to the shortage of experienced staff in the Accounts Department of the Boards and Corporations, there were shortcomings in the maintenance of accounts which were in many cases four to five years in arrears.

The Directorate of Commercial Audit was established only on October 4, 1955, when the staff and officers numbered only about 50. It was therefore inevitable that difficulties had had to be encountered in the audit of the accounts of the Boards and Corporations. With the intensive drive for recruitment, however, the total strength of the Directorate of Commercial Audit has now exceeded 250.

It is obvious that the audit staff should not only improve in quantity but also in quality. Moreover, to render the task of the Commercial Audit Directorate easier and more effective, it is essential that the Officers and staff of the Accounts Departments pertaining to the Boards and Corporations should know their job thoroughly.

With a view, therefore, to producing more trained personnel in accounting and auditing among the staff of not only the Directorate of Commercial Audit, but also of the Boards and Corporations, the Government Institute for Training in Accounts and Audit was opened.

At this Institute, various subjects comprising Commercial Accounting, Cost Accounting, Commercial Laws, Auditing, Budgeting, Service Regulations relating to leave, pay, increment, travelling allowance, Income-Tax computation, etc., are taught to the students, and by the end of December 1959 about 763 officers and clerks were given training through terminal examinations. Some officers and other ranks from the Burma Army also attended this Institute.

Previously, in preparing the Annual Budget Estimates, the Boards did not make proper forecasts of their operations on commercial principles; in other words, they did not prepare Commercial Budgets. A majority of the Boards prepared their Budget Estimates with little or no semblance of uniformity in basic principles. As such, it has not been possible to accurately

measure the success or failure of these public enterprises.

Consequently, the Bogyoke's Government laid down the principle that with effect from the financial year 1958-59, the Boards should prepare Commercial Budgets with a view to exercising effective budgetary control by the Government.

To impart the technical know-how of the Commercial Budget and to provide opportunity for mutual discussion, the Directorate of Commercial Audit and the National Planning Ministry jointly sponsored a Budget Seminar on August 12, 1959 under the chairmanship of the Deputy Prime Minister.

The Boards and Corporations verily constitute the life-blood of the country's economy, and consequently, it is very important that the accounts of these Boards should be maintained properly and up-to-date. Without doubt, the Boards would be in a chaotic condition if the accounts could not be maintained properly or if the final accounts could not be closed in time.

Accordingly, the Bogyoke's Government has directed that this problem be given prior attention and in response to this directive, most of the Boards started out to close the arrear accounts within the year 1959.

In this, the Commercial Audit Directorate rendered all possible assistance so as to pave the way for the successful closing of their annual accounts.

Since the accounts of the Boards are being closed up to the last financial year, it is incumbent on the Directorate of Commercial Audit to double up its efforts at auditing those accounts so that audit may not fall behind. Currently, the Commercial Audit Directorate has started auditing the accounts of some Boards as far back as the year 1958-59.

Stores, like cash, have values and much importance attaches to auditing of the stores as in the case of monetary transactions. Thus far, the Commercial Audit Directorate has inspected the store godowns of nine major Boards representing a fair cross-section, and conducted a survey of the stores accounting, layout, etc.

A report on the results of the survey including suggestions on modern methods of stores accounting has been sent to all Boards and Corporations for carrying out the required improvements.

The Bogyoke's Government has displayed considerable interest in financial and accounting matters relating to Boards and Corporations and has been in close consultation with either the Auditor-General or the Director of Commercial Audit on all important aspects of accounting.

Apart from Government-sponsored Boards and Corporations, the Joint Venture Companies in which the Government holds shares are also, in the considered opinion of the Caretaker Government, vitally important for the country's economy. Accordingly, the Burma Companies (Amendment) Bill was introduced in Parliament in 1959 and passed into law. By virtue of this Amendment Act of 1959, matters relating to appointment of auditors at the Joint Venture Companies and the Supplementary Audit, if necessary, have had to be dealt with by the Auditor-General.

VI. Customs Department

(A) DUTIES AND RESPONSIBILITIES OF THE CUSTOMS DEPARTMENT

The Customs Department is responsible for collection of Customs Duties, Sales-tax and other revenue such as are leviable on goods imported into and exported out of the country. This Department is also entrusted with the responsibility of collecting fees on import licences issued by the

Ministry of Trade Development and on goods imported under Open General Licenses.

Apart from revenue matters, prevention and detection of illegal imports and exports, safeguarding of the country's foreign exchange interests and enforcement of the relevant provisions of the various enactments, which are designed to safeguard and promote the interests of the country's economy, health, education and security, also form part of the executive functions of the Department.

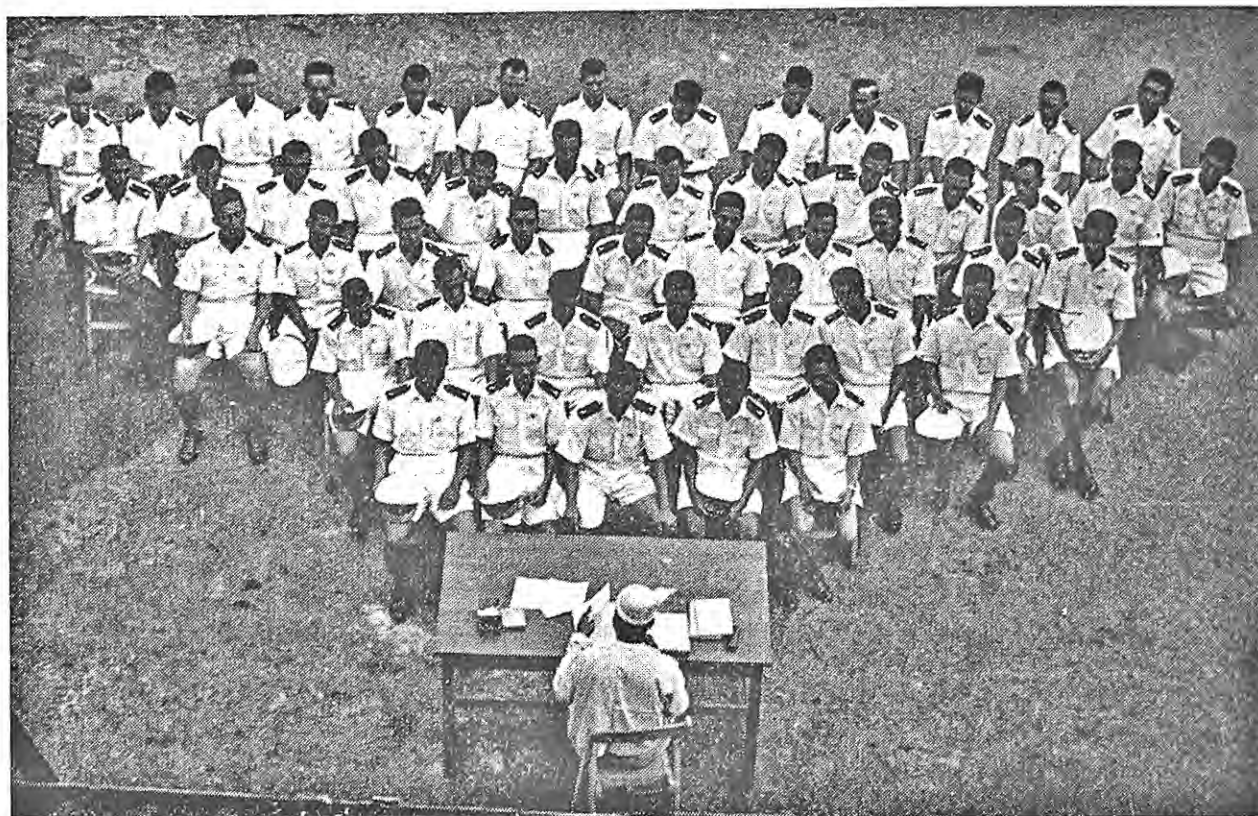
Thus the Customs Department, besides being one of the largest revenue-earning departments of Government, has had to shoulder the added responsibilities of safeguarding the country's well-being.

(B) GENERAL ADMINISTRATION

According to the old set-up, the Customs Department comprising numerous out-stations lying all over the country with a huge total staff of nearly 1,400, was under the charge of the Commissioner of Customs assisted by 6 Assistant Commissioners, 4 Deputy Assistant Commissioners and one Chemical Examiner of gazetted rank.

The Commissioner of Customs, having to deal single-handed with all matters submitted by the 6 Assistant Commissioners in addition to his onerous duties as the Head of the Department as well as the Chief Customs Officer for the whole of the Union was more than fully occupied with daily routine matters, leaving him neither sufficient time nor energy to effectively attend to the administrative aspects of the Department.

The Assistant Commissioners under him, who were responsible to exercise direct control over the various sections within their respective jurisdictions, being overburdened with daily routine affairs and greatly handicapped for lack of responsible officers of gazetted rank under them, could not also give effective personal attention to the staff under their control. The



Customs Preventive Officers attend law and procedure classes

conditions in the Customs Outstations were no better.

Thus, on account of the old faulty set-up, the Department suffered from lack of effective control and proper supervision, which, coupled with the extent of powers entrusted with the Department and the nature of duties, which its subordinate staff had to perform, gave rise to undesirable situations, in which cases of bribery and corruption, indiscipline and inefficiency were rampant.

Under such circumstances, it was quite natural that the question of suppressing cases of bribery and corruption and of enforcing discipline amongst the subordinate staff of the Department, must be great and grave problems to the Commissioner of Customs.

(C) AIMS AND OBJECTS UNDER BOGYOKE GOVERNMENT

The aims and objects of the Bogoyoke Government were to devise ways and means

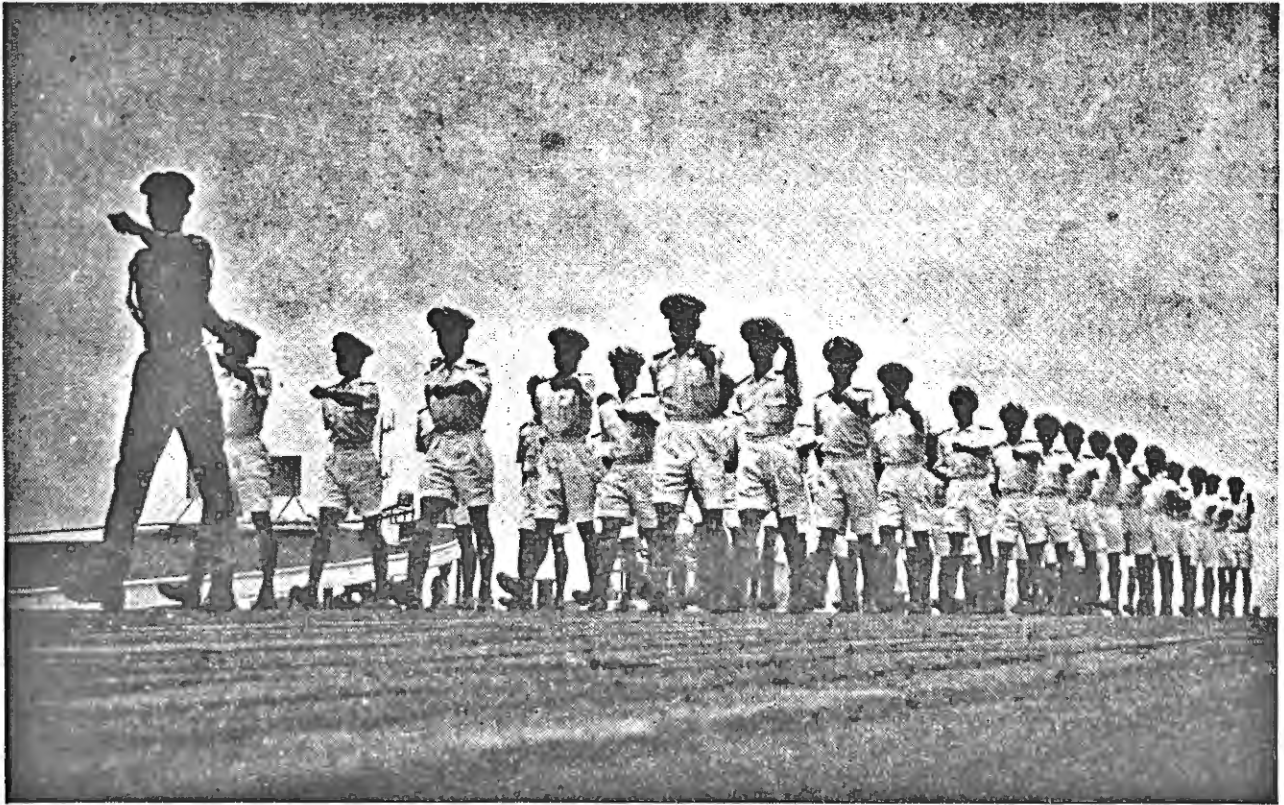
of achieving peak efficiency in the discharge of the duties and responsibilities of the Customs Department with honesty and integrity, while stamping out bribery, corruption and indiscipline and at the same time to look after the welfare of those working in the Department.

In addition, it was intended that the Customs Department be made to do all that was possible, within the framework of current rules and regulations, to promote the country's trade and help bring down the prices of commodities.

(D) RE-ORGANIZATION

In order to achieve the above aims and objects, the foremost step of the Bogoyoke Government was to re-organize the old faulty set-up by dividing the whole Customs Department into four main sections according to the nature of duties and responsibilities, as follows:—

- (a) Administration,
- (b) Appraising,



Customs Preventive Officers receive drill training

- (c) Preventive, and
- (d) Intelligence and Research.

Under the new set-up, two new posts of Additional Commissioners were created to take full charge of the Appraising and Preventive Sections respectively so as to relieve the Commissioner of his daily routine duties and as far as possible to enable him to devote his time and energy to study, consider and lay down necessary instructions in more important matters concerning policy, administrative and executive affairs of the Department and other questions affecting rules and procedures.

Each of the remaining two sections, namely, Administration Section and Intelligence and Research Section, was, however, placed under the charge of an Assistant Commissioner, under the direct control of the Commissioner.

Under the Additional Commissioner for appraising were two Assistant Commis-

sioners, each of whom had to take charge of the sections within his respective jurisdictions with the assistance of two Deputy Assistant Commissioners of gazetted rank placed under him.

Similarly, the other Additional Commissioner for Preventive had two Assistant Commissioners under him, one of whom took charge of the Preventive Section in Rangoon assisted by two Deputy Assistant Commissioners, the other Assistant Commissioner taking charge of the Outstations with the assistance of two Deputy Assistant Commissioners under him.

The Administration Section was controlled by an Assistant Commissioner with four Deputy Assistant Commissioners under him while the Intelligence and Research Section was placed under the charge of the remaining Assistant Commissioner assisted by one Deputy Assistant Commissioner and one Chemical Examiner. One Deputy

Assistant Commissioner was attached to the Commissioner to act as his Personal Assistant.

Thus, under the new set-up, the Commissioner of Customs has now under him altogether two Additional Commissioners, six Assistant Commissioners, fourteen Deputy Assistant Commissioners and one Chemical Examiner.

In spite of the increase in the number of supervisory posts in the new set-up, there was no corresponding increase in the Department's expenditure owing to abolition of certain number of posts in the lower cadres.

Being relieved of many routine encumbrances, the Commissioner now finds himself free enough to give his personal attention to more important matters and through a system of graded supervision and control, the new set-up is found to be well planned to promote maximum efficiency in all spheres of the Department.

(E) INTELLIGENCE AND RESEARCH SECTION

The introduction of the Intelligence and Research Section constituted one of the outstanding features of the new set-up.

Duties and responsibilities of this new section are to investigate into and gather useful information on the activities of unscrupulous persons both outside and inside the Department, which would result in the loss of revenues, evasions of rules and regulations through collusion or otherwise, and to report such cases to the Commissioner.

Besides the intelligence work, the section has to review the existing rules, regulations, procedures and systems being followed in the Department as well as in other countries and submit suitable proposals to the Commissioner whenever and wherever necessary. Maintenance of records of

prices of commodities, compilation and publication of office manuals, etc., also have to be carried out by this new section.

In fact, this new section has been introduced to function as the brain, eyes and ears of the Department and as a very effective aid to the Commissioner, in the cause of preserving the integrity and honesty of the Department as well as for the furtherance of efficiency and expedition in various spheres of work.

The fact that a total number of 116 cases of seizures involving gold, opium and other valuable articles to the total value of nearly twenty lakhs kyats could be effected within a few months since its introduction amply bears testimony to the usefulness of this new section.

(F) ENFORCEMENT OF DISCIPLINE AND SUPPRESSION OF BRIBERY AND CORRUPTION

Before the advent of the Bogyoke Government, conditions in the Department were far from satisfactory. Non-co-operation and indifference amongst the subordinate staff, lack of discipline, favouritism, briberies and corruptions were not uncommon things in the Department.

As soon as Bogyoke took over the reins of the Government, all possible efforts were made to enforce rigid discipline and suppress cases of bribery and corruption by taking severe action as well as by introducing various systems and methods. Cases of insubordination, indiscipline, indifference and negligence of duties were severely dealt with.

Supervisory officers were made to exercise rigid control and supervision over the subordinate staff under them and to assume responsibilities commensurate with their official status. Daily diaries were introduced to suit various kinds of work and supervisory staff were required to scrutinize their daily diaries and submit

them to the Commissioner through their respective heads of sections regularly.

New systems were also introduced for the proper maintenance of records of seizures and achievements made by each member of the staff, and of confidential reports of the staff giving a vivid account of the ability, mentality and inclinations of each person concerned.

Promotions, confirmations, awards, etc., of the staff were made only after careful scrutiny of such records to assure that only the deserving get their rightful dues.

Undesirable practices have now almost disappeared and the conditions in the Department have noticeably improved.

(G) TRAINING CLASSES

To enable the Department to carry out its duties and responsibilities smoothly and efficiently, it is of utmost necessity for the staff in the Department to possess ability and efficiency as well as high morale and rightful spirit. To meet these requirements members of the staff were deputed to attend the following training classes during the term of the Bogyoke Government:

(1) *Training Classes opened by the Army.*—

- (i) Training course given at Mingaladon for Psychological Warfare.
- (ii) Motor Vehicle Maintenance Course.
- (iii) Armourers' Course.
- (iv) Intelligence Training Course.

(2) *Departmental Training Classes.*—

- (i) Preventive Constables' Basic Military Training Course.
- (ii) Small Arms and Basic Training Course for new Preventive Officers.

- (iii) Refreshers' Course for old Preventive Officers.
- (iv) Appraisers' Training Course.
- (v) Supervisory Course.
- (vi) Ministerial Training Course.

(H) REWARDS

The primary object of giving rewards to the Customs officers responsible for effecting seizures was apparently to prevent them from accepting bribes and to give them incentive for better efforts.

In view, however, of inordinate delays in the proceedings of cases and ultimate disbursements of rewards, some of the officers concerned were prone to accept bribes readily obtainable from unscrupulous people and discard their legitimate rewards by letting go the contraband, thereby adversely affecting Government revenue and defeating its primary objective.

It was the aim of the Bogyoke Government to see that all rewards due are paid out within the shortest possible period after seizures had been made. A separate section was accordingly formed to deal exclusively with reward cases under the direct supervision of the Personal Assistant to the Commissioner.

A new system has also been introduced to enable the officers concerned to keep an eye on the progress of each offence case since its initiation so that it might not be lost sight of. With such measures and the Commissioner taking special interest in and giving personal attention to the speedy disposal of cases, it was made possible for the Department to disburse rewards due not only from outstanding cases but also from very recent cases.

A study of the following comparative statement will clearly show to what extent the Customs Department has succeeded in the matter of granting rewards.

Comparative Statement showing Amount of Rewards paid by the Customs Department.

Month.	1957 K	1958 K	1959 K
1. January ...	20,157	29,725	37,073
2. February ...	29,872	47,602	47,602
3. March ...	28,184	24,574	33,493
4. April ...	62,503	6,088	46,156
5. May ...	25,347	21,417	1,52,292
6. June ...	63,801	23,015	2,30,078
7. July ...	16,541	19,182	36,572
8. August ...	37,786	44,046	44,968
9. September ...	18,838	41,623	92,957
10. October ...	36,605	18,189	69,094
11. November ...	30,620	19,083	61,741
12. December ...	5,261	45,992	1,11,112
Total ...	3,75,533	3,40,536	9,19,366

(I) SEIZURES

Speedy payment of rewards acted as a great incentive for more and better efforts on the part of the Customs staff resulting in appreciable increase in the numbers of seizures effected and thereby reducing cases of bribery and corruption to a minimum.

Increase in the number of seizures means corresponding decrease in the number of cases, which otherwise would have adverse effects on the country's economy and welfare. Government's revenue also increases on account of more income derived from the sale of confiscated goods.

A glance at the comparative statement of seizures effected and their values shown below will reveal to what extent the Customs Department has achieved in this direction under the Bogyoke Government.

Comparative Statement of Seizures and their Values.

Year.	No. of cases of seizures.	Total value of goods seized. K
1957 ...	2,767	78,35,848
1958 ...	2,872	70,14,413
1959 ...	5,844	1,19,42,760

(J) AMENDMENT OF THE SEA CUSTOMS ACT

Major portion of the work in the Customs Department devolves upon the Sea Customs

Act, which was first enacted in the year 1878. Being an old Act, certain provisions had to be amended from time to time to meet the current requirements.

During the tenure of the Bogyoke Government, the whole Act was reviewed and major amendments introduced in Parliament to make it not only up-to-date and suitable for ever-changing time and circumstances, but also to bring about more efficiency and for speedy disposal of work in the Department.

One of the features of these amendments is the repeal in the provisions of the Sea Customs Act of "the Chief Customs Authority", which, in fact, was the legacy of the imperialistic and provisional administration during pre-Separation days before the year 1937.

In consequence of this repeal, the Financial Commissioner, who previously functioned as the Chief Customs Authority, being relieved of extra duty and work, could now devote more time and energy to cases of appeal and revisions.

The new amendment also accelerate speedy disposal of important cases by facilitating direct contact between the Customs Department and its administrative ministry, the Ministry of Finance and Revenue.

The reduction of the period of appeal against the original orders of the Customs Department from three months to one month effectively brings about more speedy disposal of the Customs cases with the resultant benefit of reducing the possibilities of confiscated goods getting lost through deterioration and destruction to a minimum.

(K) NEW SYSTEMS AND PROCEDURES

In order to achieve the aims and objects mentioned above and to effect all-round improvement in the department, quite a number of new systems and procedures have been introduced under the Bogyoke

Government. A few cases of such changes in departmental systems and procedures are summarised below:

(1) *Presentation of documents.*—Since the inauguration of the Department, it had been the established practice for the members of the trade to present and receive their documents connected with the Customs transactions at every Section of the Custom House responsible for carrying out the respective work. The Custom House was more like a bazaar than a Government office. Such a state of affairs not only caused nuisance and disturbance to the staff in the discharge of their duties and responsibilities, but also facilitated undesirable practices and cases of bribery and corruption through frequent contact with the members of the trade.

Under the Bogoyoke Government, this old system was entirely abolished. A new and separate section—the Central Registry—was opened at the eastern corner of the

Custom House. All documents from the public were required to be presented to and received from this Section only. No outsider was allowed to enter any of the Sections except with the permission of the Deputy Assistant Commissioner in charge. All incoming documents were duly registered at the Central Registry and distributed to Sections concerned methodically. As soon as one Section had dealt with the documents, they were again transferred to another Section for further action in like manner. As soon as all the formalities were concluded, the documents were returned to the parties concerned through the Central Registry.

The new system has been found to work quite satisfactorily to the benefit of both the Department and the public. Undesirable practices disappear, cases of bribery and corruption are now reduced to the minimum, the public has no more fear of victimisation and work proceeds more expeditiously and systematically.



Preventive Officers of Burma Customs receive small arms training



Customs seizure of K 700,000 worth of opium contraband

(2) *System of grading "deciding power" according to the value of goods.*—Hitherto, the authority to release imported goods without any limit in values was vested with the Appraisers and Principal Appraisers, who were not of gazetted rank. This was considered undesirable as fines and penalties imposed were usually based on the value of goods. Besides giving room for harassment and graft, it was found that the controlling officers lost touch with the daily work of the staff under them.

For these reasons, a new system was introduced under which "deciding powers" to release goods according to the values of the goods were graded according to the status of the officers, the Additional Commissioner concerned becoming the sole authority to release imported goods without any limit in values.

(3) *Prior examination of goods at the Wharves and Customs Wharves and Customs Warehouses.*—It had been the established

practice to examine imported goods at the wharves and Customs Warehouses, as the case may be, only after completion of formalities in respect of respective bills of entries at the Custom House and after payment of duties, taxes and dues into the Customs Treasury.

Since it was the aim of the Bogyoke Government to bring down prices of commodities for the benefit of the consuming public and as this aim could be achieved by facilitating expeditious clearance of imported goods from the respective wharves and Customs Warehouses, a new system had been devised permitting prior examination of such goods while the connected bills of entry were undergoing the usual formalities at the Custom House so that importers might clear their goods as soon as those formalities were completed.

(4) *Clearance of goods before receipt of documents.*—Relevant documents, such as original invoices, pertaining to goods imported under "P.L.-480" and those from

neighbouring countries like India, Pakistan and Malaya, usually came late to importers, thus hampering documentation at the Custom House and clearance of goods from the wharves.

A new system had accordingly been introduced under the Bogyoke Government to make provisional assessment based on such documents as duplicate copies of invoices, indents, contracts, etc., which were already in possession of importers, and to allow clearance of goods on execution of bonds and guarantees by importers.

Thus, problems confronting the mercantile public in this direction had now been eliminated satisfactorily.

(5) *Custody of Import Licences and Permits.*—It was necessary for importers to attach relevant import licences or permits when presenting bills of entry for goods not covered by Open General Licences to the Custom House. Such Import licences or permits remained attached to the respective bills of entry for scrutiny by the Sections concerned.

Importers could not accordingly present subsequent bills of entry for other goods covered by the same import licences or permits until the receipt of earlier bills of entry with which the import licence of permit had been attached.

In order to overcome these difficulties of the importers, arrangements have now been made to keep import licences and permits in the custody of the Appraising Section and make them readily available for scrutiny by Appraisers concerned irrespective of the number of bills of entry put through under the respective licences and permits.

The new system was found to facilitate assessment of bills of entry with the least possible delay and to enable importers to clear their goods expeditiously.

(6) *Acceptance of Shipment Samples and Trade Samples.*—Since the old practice of

calling for samples from the wharves caused great inconvenience and embarrassment to importers as well as delay in clearance of goods, strict instructions have now been issued to Appraisers to accept, wherever possible, shipment samples and trade samples in possession of importers.

(7) *Examination of goods.*—Normally, two to ten per cent of imported goods of homogeneous nature were subjected to Customs examination at the wharves and Customs Warehouses. Though the percentages were not high, the number of packages subjected to examination must necessarily be considerable in respect of large consignments with the resultant delay in their clearance.

To overcome this defect and at the same time to safeguard the possibility of fraud, instructions have now been issued to normally examine packages of goods of homogeneous nature up to a maximum of twenty in number irrespective of the size of the consignment imported.

(8) *Assessment of imported goods on their C.I.F. Values.*—It had been the established practice in the past to assess certain goods imported on the basis of the local prevailing market values. There were strong protests from the trade against that practice but they were of no avail.

With a view to bringing down prices for the benefit of the consuming public, which was one of the primary aims of the Bogyoke Government, the old practice was abolished and all imported goods are now being assessed on the basis of their C.I.F. values much to the satisfaction of the trade and the consuming public.

(9) *Postal Parcels and Packets.*—When the Bogyoke Government took over, postal parcels and packets, which remained uncleared, piled up in thousands in the Customs Examination Department of the General Post Office in Rangoon.

A co-ordinated drive by both the Customs and Postal Departments soon put matters right, not only have all pending

cases been disposed of, but current work is being dealt with smoothly and expeditiously, as the following statements will show:

Statement of Parcels Dealt With

Year and Month			Balance from previous month	Currently received	Total	No. Cleared	Balance
1958	November	...	2,831	2,516	5,348	1,721	3,627
1958	December	...	3,627	3,141	6,768	2,765	4,003
1959	January	...	4,003	2,264	6,267	3,525	2,744
1959	February	...	2,744	2,357	5,101	3,601	1,500
1959	March	...	1,500	2,514	4,014	3,119	3,995
1959	April	...	995	1,992	2,987	2,299	688
1959	May	...	688	1,818	2,506	1,891	615
1959	June	...	615	2,139	2,754	2,058	696
1959	July	...	696	2,178	2,874	2,065	809
1959	August	...	809	2,179	2,988	2,257	731
1959	September	...	731	2,827	3,555	2,488	1,067
1959	October	...	1,067	3,045	4,112	2,865	1,247
1959	November	...	1,247	2,518	3,765	2,618	1,147
1959	December	...	1,147	3,079	4,116	3,526	700

Statement of Packets Dealt With

Year and Month			Balance from previous month	Currently received	Total	No. Cleared	Balance
1958	November	...	1,305	3,994	5,299	3,802	1,497
1958	December	...	1,497	5,109	6,606	4,621	1,985
1959	January	...	1,985	3,493	5,478	4,041	1,437
1959	February	...	1,437	4,468	5,905	5,305	600
1959	March	...	600	2,757	3,357	3,233	124
1959	April	...	124	2,329	2,453	2,150	303
1959	May	...	303	2,308	2,611	2,262	349
1959	June	...	349	2,709	3,058	2,706	352
1959	July	...	352	3,032	3,384	3,127	257
1959	August	...	257	2,961	3,218	2,020	198
1959	September	...	198	4,290	4,488	4,351	137
1959	October	...	137	5,182	5,319	5,089	230
1959	November	...	230	5,951	6,181	5,785	396
1959	December	...	396	6,420	6,816	6,329	487

(10) *Preventive measures against smuggling by vessels.*—It had been the practice for the Customs Patrol staff to search and rummage ocean-going vessels plying in and out of the Rangoon Harbour with the help of unpaid searchers.

Unpaid searchers, being mostly ex-crew, knew every part of the vessels and were

well acquainted with the present crew. It was thought that with their useful knowledge it would be easier to locate places in the vessels, where contrabands were most likely to be hidden, and that information would readily be available through their acquaintance with the crew. These unpaid searchers undertook to carry

out rummaging jobs as they expected more in the form of handsome rewards from seizures than any sort of fixed pay or allowances, thereby resulting in saving of expenditure to the Department.

These were found to be primary reasons for the employment of unpaid searchers in the past. Though there might be some justification in these reasons, this system was considered to be undesirable from higher administrative and security point of view inasmuch as it was tantamount to employment of persons of low calibre from outside the department without the responsibility to carry out one of the most important functions of the Preventive Section.

The old system was accordingly abolished and the Preventive Constables from the Department were given the task of rummaging the vessels under the strict supervision of the officers. Both these Constables and officers were instructed to acquaint themselves with the set-up and construction of all types of vessels by means of charts, models and practical demonstrations.

Permission to board the vessels was also restricted. Any one found without such a permit was subjected to severe action.

A new system was also devised by which all Preventive Officers posted to guard duties on the vessels were required to submit their diaries in prescribed form containing relevant particulars through their immediate superiors to the Commissioner. Supervisory Officers were also required to make surprise checks on the vessels at frequent intervals. By such drastic means, cases of smuggling by sea have now been reduced to a minimum.

(11) *Change of control over examination of goods.*—According to the past practice, Appraisers who assessed bills of entry were also required to give necessary orders for examination of goods by Examining Officers,

who were Preventive Officers placed under the control of the Appraising Section. This practice gave room for dishonest Appraisers, who connived with unscrupulous importers, to release packages containing contraband without examination.

In order to remove such possibilities altogether and as the examination of goods is more akin to preventive work, responsibility and duty of examination of goods and also the entire control over the staff at the wharves have now been transferred to the Preventive Section.

(12) *Systematic Examination of Passengers' Baggage at the Wharves.*—Hitherto, examination of passengers' baggage at the wharves was undertaken in a haphazard manner, where and when convenient, without consideration for convenience of passengers or providing proper facilities to effectively safeguard the interests of the administration.

Customs officers, passengers, friends, relations, coolies, etc., were mixed up in one disorderly mass, which considerably hindered the clearance of baggage.

This has now been remedied. The Port Health Station has now been used exclusively for this purpose. Proper facilities are now being provided not only in the discharge of their duties by the Customs officers but also for the passengers as well. Procedure has also been revised to effect the clearance of baggage in the shortest possible time with the minimum of inconvenience to passengers.

(13) *Increased Privileges and Facilities to Passengers.*—The Baggage Rules followed were framed as far back as 1948. In view of the ardent necessity to revise these rules to suit the ever-changing time and circumstances, new Baggage Rules have now been issued under which more privileges and facilities are being given to passengers as far as possible.

To cite an example, articles brought in by a passenger either for his own use or for use of the members of his family or for presentation as a free gift to his friends and relatives are now exempt from payment of duties and taxes up to a total value of K 300. There were no special provisions in the old Rules for tourists and passengers who came to Burma on a temporary visit, all passengers being treated alike.

With the issue of the new rules, tourists can now enjoy special privileges of bringing into the country any article in addition to their personal effects without payment of any duty or tax if only they care to give a simple undertaking to take them out when they depart from the country. Any thing which they do not want to carry with them can also be entrusted with the Customs Department for safe custody. They are also exempt from Baggage Declaration.

Each passenger, who comes to Burma for a temporary stay not exceeding six months, can also bring into the country personal jewellery, one pocket or travelling radio and one tape-recorder free of duty, provided he or she gives a similar undertaking.

(14) *Clearance of Baggage imported as freight cargo.*—It had been the established practice to make Passengers' baggage and articles intended for presentation as gift arrived as freight cargo, to be subjected to usual documentation and formalities as prescribed for merchandise.

Not being conversant with the Customs rules, regulations and procedures, passengers and persons concerned faced great difficulties, inconvenience, embarrassment and inordinate delay in clearance. They had also to pay exorbitant charges when Custom House Agents were engaged to do the job.

To eliminate all such troubles, documentation and formalities have now

been waived and persons concerned can now take delivery of such goods straight away on presentation of a simple document known as "Clearance Application Form" which can be requisitioned free of charge from the Customs officers at the respective wharves or the Customs Warehouse, as the case may be.

(15) *New devices and systems for Outstations.*—In order to make the administration of Customs Outstations more effective and efficient, three major Customs Divisions have been formed.

One Deputy Assistant Commissioner with headquarters at Mandalay is required to take full charge of all the Customs Stations in the Northern Division, the other Deputy Assistant Commissioner with headquarters at Mergui taking charge of all the stations in the Southern Division.

The Assistant Commissioner in charge of Outstations exercises direct control over the stations in the third Division, *viz.*, Arakan Division, from the Rangoon Headquarters. To facilitate constant and direct contact with the Outstations, arrangements are also being made to install departmental wireless stations at the Rangoon Headquarters and important centres in the districts.

New systems and devices have also been introduced by which the Customs officers at Outstations are required to draw up and maintain operational maps, showing routes employed or capable of being employed for smuggling of goods, gather particulars and place on record known smugglers, persons employed as carriers, commodities smuggled, and their prevailing prices locally and at frontiers, history of the towns and localities and to exchange information gathered amongst the stations.

With such useful records, in hand, officers sent to Outstations can carry out their duties effectively and efficiently without having to rely on others.

In order to prevent lapses and slacknesses in the performances of their duties, Customs officers in the districts are also required to maintain diaries and through a further system of checks and counter-checks by other departments and intelligence work, every possible measure has been carried out under the Bogyoke Government to effectively combat cases of smuggling and eradicate graft.

Thus, the conditions in the Outstations have now improved considerably and the administration has become more effective and more water-tight.

(L) COMPILATION AND PUBLICATION OF INSTRUCTIONAL BOOKS

Rules, regulations and procedures pertaining to Customs Department are complicated as much as they are varied. Unless both the staff in the Department and mercantile public are made fully conversant with such requirements, daily work can hardly be expected to run smoothly and expeditiously.

The mercantile public has had, however, no opportunity in the past to obtain first-hand knowledge of the intricacies of this Department owing to lack of instructional books. In spite of incessant work, the Department has been able to compile and publish an informative and instructional book entitled "The Importers' Guide" which contains all relevant information concerning imported goods.

The publication read with another publication, entitled "Port Guide" which was almost simultaneously published by the Board of Management for the Port of Rangoon, would enable any importer to comply with all the existing requirements of the Port and Customs Departments from the time documents are prepared for presentation to the Customs till the imported goods are finally cleared from the wharves.

Besides the "Importers' Guide", the Customs Department has also compiled

the "Burma Customs Tariff" and the "Burma Customs Tariff Guide" both of which will be made available to the public very shortly.

(M) CO-OPERATION BETWEEN PORT AND CUSTOMS

Although the Port and Customs Departments are closely related to one another in most of their daily routine works, there was not enough co-operation between the two in the past, each being more concerned and occupied with its own affairs.

During the tenure of the Bogyoke Government, all the works on the wharves are being closely inspected and through close co-operation and concerted efforts on the part of both the Departments, it has been possible to bring about all-round improvements on the wharves to the mutual benefit of both. This has paved the way for continued and ever lasting co-operation between these two related Departments.

(N) CUSTOM HOUSE AGENTS

Custom House Agents are persons or firms, who obtain licences from the Customs Department to transact business with the Department and to clear and forward goods on behalf of the owners taking customary fees for their services.

The majority of the importers and exporters, either through ignorance of the existing rules and procedures pertaining to the Customs Department or being busy with more important work elsewhere, engage these agents and entrust them with all their work with the Customs Department. Taking undue advantage of their position, some of these Agents resort to fraudulent practices through connivance either with unscrupulous importers or dishonest staff or with both in an attempt to enrich themselves quickly, while some of them cunningly extort money from importers, misusing the names of officers in the Department.

It is also not an uncommon habit amongst some of these Agents to misrepresent things and to put the blame on the Customs and Port Departments for all their failings and slackness.

Thus, both the Customs and Port Departments have unduly suffered much in their reputation on account of spiteful activities on the part of some of these Custom House Agents coupled with lack of systematic and effective control over them.

To put a stop to all such malpractices and remedy the past defects, severe action has been taken against irresponsible and undesirable Custom House Agents and new systems have been introduced to exercise rigid and effective control over them and their employees through the Administration Section.

Daily activities of the Agents are being recorded systematically and their grading is made on the basis of such records, those who falling below the minimum qualifications being eliminated from the list of authorized Custom House Agents. They are also required to employ adequate staff on the wharves to facilitate expeditious examination and clearance of goods.

In consequence of the new systems and requirements thus introduced, it has now become strictly necessary for every Custom House Agent to carry out the work which they have undertaken more efficiently and expeditiously. Arrangements also are in hand for grading Custom House Agents on a more wider basis and for allowing them to undertake work only according to their grading. By such means it is hoped that problematical affairs of the Custom House Agents will not recur in future.

(O) ACHIEVEMENTS UNDER THE BOGYOKE GOVERNMENT

A scrutiny of the facts and figures contained in the foregoing paragraphs will

reveal the contrast in conditions prevailing then and now in the Customs Department and give a vivid picture of the improvements effected and achievements made under the Bogyoke Government.

The Department has been thoroughly overhauled and re-organized. Through an all-out campaign and sparing no efforts, it has been possible to bring about all-round improvements in the department for the present as well as for the future. It is believed the lost reputation of the Department has been retrieved and the Customs Department can now firmly stand on its own feet with dignity and with pride while rendering utmost service both to the country and the people. A new chapter has been opened in the history of the Customs Department, of which it may well be proud.

VII. Excise Department

As a measure to prevent leakages in the collection of excise duty on cigarettes manufactured in the Union of Burma, the system of affixing excise duty paid banderols on boxes or tins containing cigarettes was introduced by the department with effect from November 1, 1958.

The department, with the help of the Army and the Police, also succeeded in taking drastic action against those guilty of trafficking in illicit liquor and opium, and in cracking down on opium dens in various parts of the country. Particularly, in Mandalay, the department succeeded to a great extent in suppressing the illicit liquor trade carried on by members of the leper colony in Manawyanan Quarter.

With the co-operation of the Army, the department was able to destroy vast areas of poppy cultivation in the Kachin State, and also to provide help and encouragement to Kachin farmers in the cultivation of other suitable crops in these areas.

Ministry of Trade Development



U Thi Han, Minister

The Ministry of Trade Development has, under its jurisdictional administration, the following departments:

1. *State Agricultural Marketing Board.*
2. *Directorate of Imports and Exports.*
3. *Commerce Development Corporation.*
4. *Joint Venture Corporations.*

Also within the purview of the activities of this Ministry but not exactly under its administration is the following:

5. *Defence Services Institute.*

When the present Caretaker Government took over, the economic conditions in the country were deteriorating fast. All economic activity was stagnant with a gloomy future ahead. It was left to the Caretaker Government to galvanize the economic activities and to create conditions for revitalization of the economic well-being of the country.

One of the dedicated tasks of the present Government has been to bring down the cost of living which had been spiralling. To this end, drastic measures were adopted and swift action taken to boost up both

foreign and internal trade. How the Caretaker Government has been fulfilling this dedicated task is set out in the following paragraphs.

(A) EXPORT TRADE

Before the advent of the present Caretaker Government, the export trade was not given the serious attention that it deserved. The Government's policy then had been to adopt a "laissez faire" attitude towards the export trade which was mainly in the hands of State Boards.

In the past, trade policy was directed towards conserving of foreign exchange by restriction of imports and fostering of domestic production. The policy as at present enforced is for earning of more foreign exchange by diversification of exports and by an intensive export drive. The Caretaker Government has taken a revolutionary step in giving top priority to the export trade by relegating the import trade to second place.

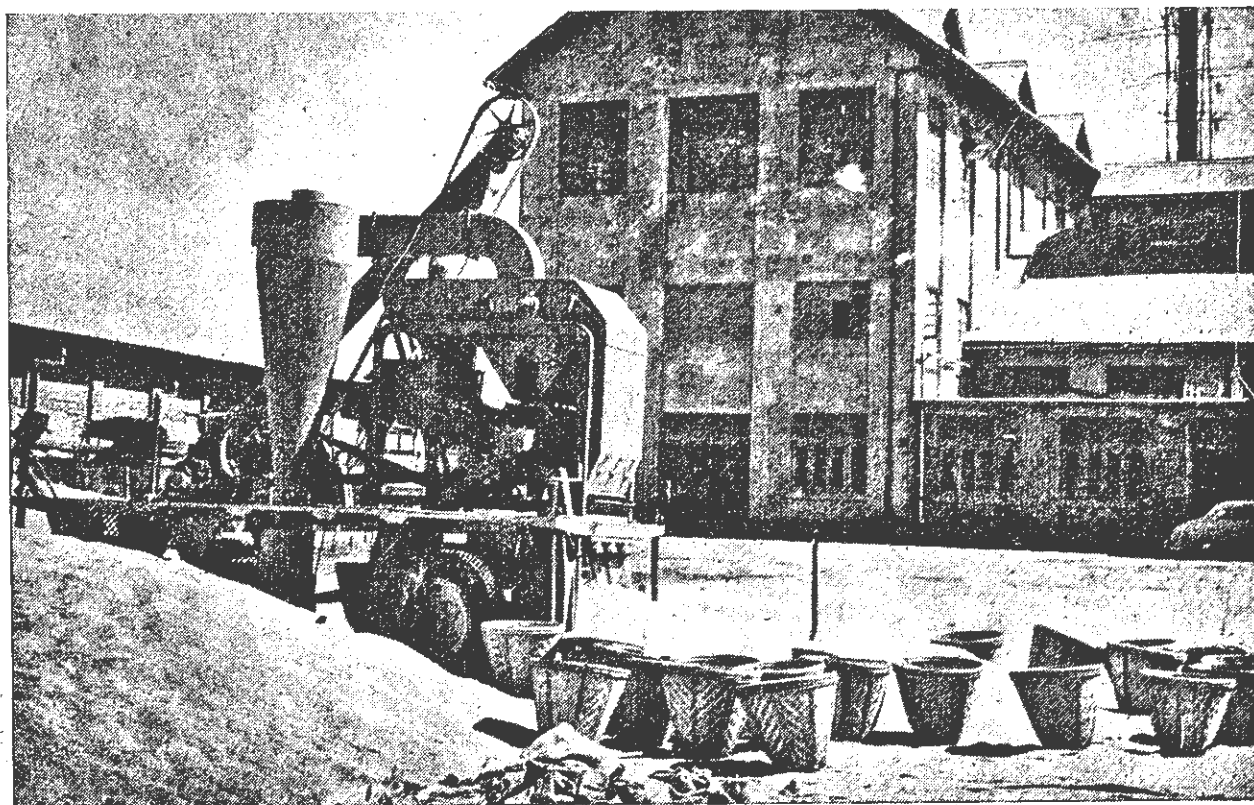
At the beginning of 1959, a Council known as the "Exports Promotion Council" was formed by the Government with the specific charge to plan and implement an export drive. Represented in the Council were the Ministries of Trade, Finance, National Planning, Agriculture and Forests, Mines and Defence.

With a view to providing encouragement to private enterprises in the export business, an order for preference and priority was

laid down. The private trade sector had top priority, to be followed by semi-governmental organizations, such as the Joint Venture Corporations. The last in this order of priority were the state trading organizations.

But the most revolutionary measure effected was the relaxation of monopolies in the export of rice, rubber, cotton and teak. Previously, the export of rice, rubber and teak were the sole monopolies of the Government and export of cotton the sole monopoly of a Co-operative Society.

This policy of "demonopolising" the trade in these products was truly revolutionary in the context of the previous concept of economic panaceas. In the case of rice and teak, officially there is still a state monopoly but private trade is encouraged to participate in the export trade of these two commodities by affording incentives and facilities especially to Burmese



A mobile pre-cleaning plant for the cleaning of SAMB rice for export

nationals. As for rubber and cotton, the export trade was demonopolised and thrown open to private trade.

For such traditional items as rice, timber and minerals, the export target is to reach the pre-war level of exports. With regard to rice and timber, for various reasons, Burma has lost some of her pre-war markets, especially the West European Market. Steps were taken to recapture such markets by sending out selling missions or by making new contacts.

As a "one crop economy" can sometimes be very dangerous for the country, the Government is directing its efforts to

diversify its exports by exploration of markets for domestic products other than traditional items. Thus, the SAMB is making all-out efforts for the marketing of potatoes, tapioca and Virginia tobacco.

An important measure to give incentive to the export trade is the recent decision of General Ne Win's Government to issue special import licences to those Burmese nationals who have earned foreign exchange for 25 per cent of the value of their earnings.

The results of these measures for the export drive are clearly illustrated in the following table of statement:

Exports

Selected Data	1956-57	1957-58	1958-59 Total	1958-59	
				First half	Second half (provi- sional)
Exports by value (K million)—					
Rice	895	663	700	281	419
Other Agricultural Produce	158	117	152	69	83
Cotton	32	17	18	4	14
Pulses	50	42	51	24	27
Rubber	38	26	33	16	17
Oilcakes	30	26	40	21	19
Others	8	6	10	4	6
Metals and Ores	49	37	36	18	18
Timber	66	59	66	36	30
All others	15	16	20	8	12
Total	1,341	1,009	1,126	481	645
Exports by volume (ooo tons)—					
Rice	2,005	1,463	1,603	633	970
Other Agricultural Produce	233	213	286	241	145
Cotton	13	8	9	2	7
Pulses	99	75	109	50	59
Rubber	13	10	13	8	5
Oilcakes	84	95	124	63	61
Others	24	25	31	18	13
Metals and Ores	51	58	57	29	28
Timber	87	73	75	40	35
All others	n.a.	n.a.	n.a.	n.a.	n.a.
Total (Excluding "all others")	2,609	2,020	2,307	1,084	1,323

SAMB's Role in the Export Trade

(a) *Reorganization.*—Rice, the major foreign exchange earner for the country, has been the monopoly of the State Agricultural Marketing Board, a governmental organization. It was found that a state monopoly in particular exports leaves much to be desired from the strictly commercial point of view. More often than not, business practices and governmental red-tapes were involved in conflicts, and inevitably it turned out to the detriment of good business.

Thus, one of the first tasks the Caretaker Government set about was to revamp the state commercial enterprises. The revamping and re-orientating of these organizations, to better suit the needs of the commercial nature of the enterprises they were engaged in, began with the State Agricultural Marketing Board.

The set-up of the State Agricultural Marketing Board organization was drastically revamped and re-orientated to gear it more effectively to the problem of speedy purchase and sale on an efficient and expeditious footing.

In main, the objective is centralization of authority instead of diffusion of authority with the view to making the SAMB a sound commercial establishment. Wherever possible, redtape has been dispensed with. Speed, efficiency, proper management and business know-how are the key notes of the new organizational policy.

This involves changing of personnel from the top downwards, doing away with overlapping or superfluous posts and, streamlining of all activities. Under the present set-up, one of the Deputy Chairmen is invested with wide powers to act as Chief Executive Officer *cum* General Manager of the Board.

(b) *Procurement.*—The main functions of the SAMB are procurement of paddy

and rice within the country and sales of rice and rice products abroad.

Hitherto, the SAMB has been buying paddy by opening of buying centres throughout the length and breadth of the country and the same price was fixed for the whole year whether purchase was made at the beginning of the season when paddy was still full of moisture or whether it was late in the season when there was less moisture content in the paddy.

The result was that the cultivators rushed in to sell as soon as they harvested, generally right from the threshing floors, whilst the paddy was still very moist, as it was not advantageous to store.

This not only created congestion at the purchasing points and SAMB godowns, but also posed tremendous problems of storage and drying. The drop in the quality of post-war Burma rice must in the main be attributed to this cause, too, as improperly stored or dried paddy tended to be damaged or to be milled badly.

In these circumstances, the Caretaker Government found it necessary to introduce radical changes in the pattern of procurement. Thus, varying prices are fixed for the paddy according to the period of purchase.

Under the present pricing system, price of paddy varies upwards with each of the 3 periods, *viz.*, January and February; from March to June and from July to December. This change in procurement system by varying the price of paddy according to the time of season when paddy is actually bought has brought about advantageous results not only to the SAMB but also to the cultivators and stockists.

As the stockists and the cultivators are assured of higher prices for older paddy, the present pricing system encourages both the stockists and the cultivators to

withhold their paddy until a later date, thereby reducing storage difficulties for the SAMB. Further, it also means less procurement cost to the SAMB because it can now reduce the number of buying centres.

In 1958-59 there are as many as 492 buying centres. For 1959-60 SAMB proposes to open only 436 buying centres. If this scheme proves successful it is estimated that the procurement cost will be reduced by one-third.

In the past, different methods of procurement of rice have been tried. None of these methods, *viz.*, ex-godown, ex-hopper, ex-mill and port delivery, has been satisfactory to millers.

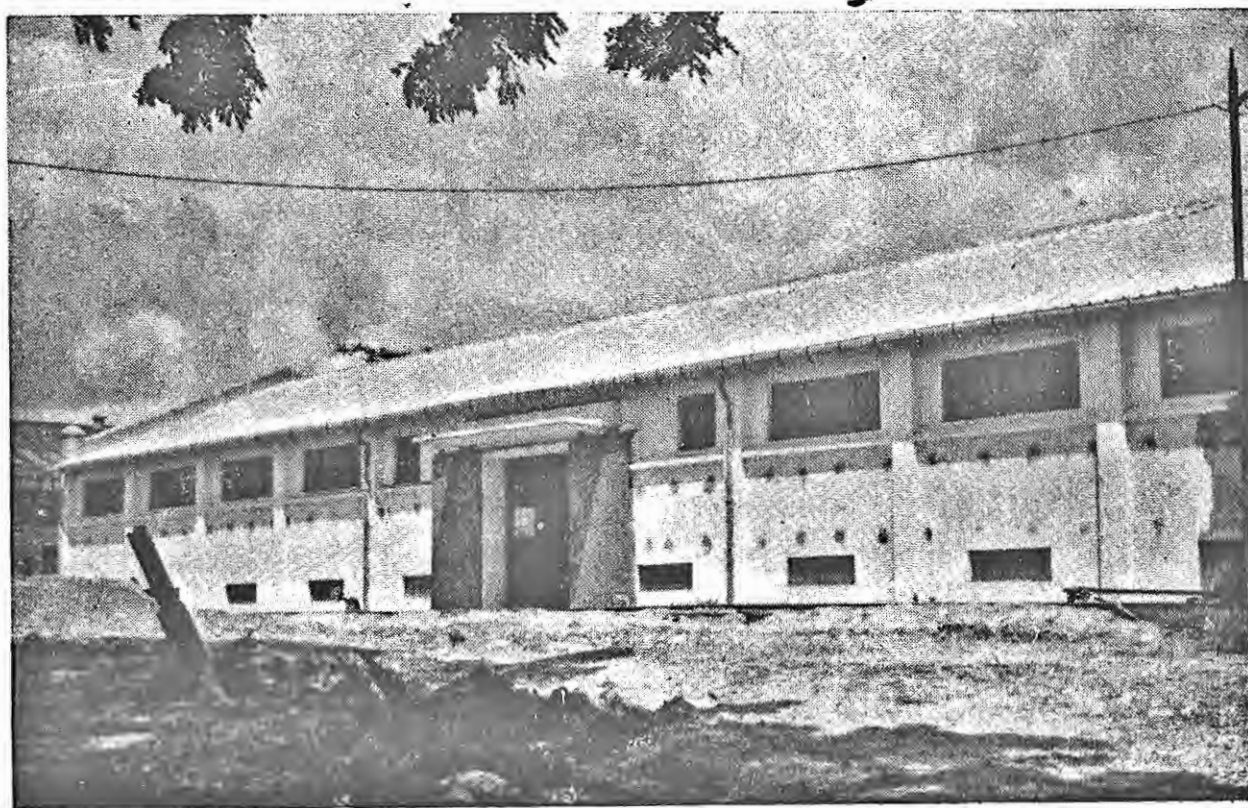
The main reason why the millers were not satisfied with their transactions with the SAMB was found to be that SAMB, as a governmental organization had sometimes been too rigid. Now that the SAMB

has been overhauled on the lines of a business concern, much of red-tapism has been removed and strict adherence to government regulations has been relaxed with the result that a flexible procurement policy for rice is now possible.

The relations between the SAMB and the millers have considerably improved during the last year as both sides have realized the mutual advantages on the basis of "give-and-take" principle.

(c) *Sales*.—Foreign sales of rice by the SAMB fall under two categories; one, on government-to-government basis and the other, through private buyers. About three-quarters of rice are sold on government-to-government basis and the balance one-quarter is sold through private buyers.

Burma has long-term rice agreements with the principal customers, such as India, Indonesia, Ceylon, Pakistan, Mauritius,



Modern rice godown at Pazundaung

Ryukyu Islands besides barter agreements with a few Eastern European countries. In the past, instead of the seller going round to the customers, the reverse has been the case. Now this practice is found to be outmoded as it is against usual commercial practice.

Accordingly, the SAMB is now sending out rice selling missions abroad in a true commercial style and this practice is now bearing fruitful results. Last year (1959), only 350,000 tons has been committed for sale until the middle of the year when an exportable surplus of 1.8 million tons was expected. To prevent such an eventuality the SAMB sent out missions all over the world to make forward sales for the 1960 crop.

The results achieved were most encouraging. Before the year 1959 was out, the SAMB had made firm commitments for sale of about 1.5 million tons. This may be regarded as an outstanding achievement during the regime of the Caretaker Government.

It has been stated earlier that a marked feature in the Government's export policy is encouragement and preference given to private trade. This policy was first implemented in regard to sales of rice by the SAMB apart from government-to-government sales.

Accordingly, the first step taken to relax the monopolistic control of the SAMB was to appoint sale agents on a world-wide basis. As there was virtually no Burmese national competent to handle this business which needs both capital and practical experience, the choice of such agents naturally fell on foreigners.

At the same time, in view of Government's policy to Burmanize the trade, certain concessions in the form of commission are being allowed to those Burmese nationals who could sell a certain minimum quantity of rice in a year.

Hitherto, the method of sale to private buyers has invariably been to call for tenders and the successful tenderer has to deposit a certain amount of money as "performance guarantee".

Often, as huge sums of money are involved in rice transactions, the Burmese nationals who are invariably short of capital, have practically no chance to compete against foreigners who are always financially sound. This requirement of security deposit was now done away with so that the Burmese nationals who have less capital could also participate in the rice trade.

When the Caretaker Government took over, there was a large stock of more than 160,000 tons of unsold old rice which was carried over from the period between 1952—57. The speedy disposal of this stock at a reasonable price was the first major task of the Caretaker Government. Keeping old stocks of paddy or rice longer than necessary creates storage difficulties besides entailing monetary loss.

Having in view this commercial consideration, the SAMB has made determined efforts to dispose of all old stocks of rice. For unshippable and damaged stocks, the District Security Councils have been authorized to dispose of them by public auction as cattle feed. Stocks which are certified as unfit for human consumption were distributed gratis for use as fertilizers. In this manner all old stocks of rice up to 1958 were disposed of.

Sales of rice during 1959 amounted to 1.75 million tons. Out of this total, 1.38 million tons of rice were sold on government-to-government basis and the balance of 37 million tons through private trade. Only a balance of 50,000 tons was carried over to 1960.

A new feature in the sale of rice in 1959 was that for the first time, *Ngakywe*,

Sabanet (which is only meant for home consumption) and glutinous rice were sold abroad as a trial and all of them found ready acceptance in foreign markets. Steps have already been taken to increase the export availability of these varieties in 1960.

The SAMB had practically sold or committed all the lower quality of rice for 1960. The only problem left is the sale of higher quality rice of about 300,000 tons. There seems to be no serious difficulty to dispose of this quantity during the current year.

Rice Sales on Government-to-Government basis

Country.	1959 Amount tons.	1960 (Forward) Sales.
1. Mauritius ...	55,000	40,000
2. Ceylon ...	200,000	300,000
3. Indonesia ...	380,000	500,000
4. Ryukyu ...	30,000	31,000
5. Sierra Leone ...	27,000	25,000
6. India ...	350,000	350,000
7. Pakistan ...	193,000	175,000
8. Japan ...	26,000	30,000
9. Maldives ...	7,000	8,000
10. Israel ...	3,000	...
11. Singapore ...	5,000	...
12. Yugoslavia ...	30,000	30,000
13. USSR ...	50,000	44,000
14. Seychelles ...	1,500	...
15. Malaya ...	20,000	...
Total ...	1,377,500	1,533,000

(d) Improvement of Quality of Rice.—

In the years closely following the Second World War, due to world-wide food shortage, Burma was able to dispose of its entire exportable surplus at very high prices. As it was the sellers' market then, the buyers did not pay any attention to the quality of rice they were receiving. Very soon many countries under various self-sufficiency schemes grew more food and from about 1954-55, as far as rice is

concerned, the situation considerably changed from the sellers' market to the buyers' market.

Furthermore, Burma rice which once earned a name in the European market and among the more discriminating customers, has lost these markets because of indifferent quality. Burma has yet to learn the principle that "the customer is always right."

In order to regain these lost markets and to maintain the present ones it is imperative that a sustained drive for quality must be launched. To this end, the SAMB is co-ordinating its efforts with the ARDC on the one hand and with the millers on the other hand.

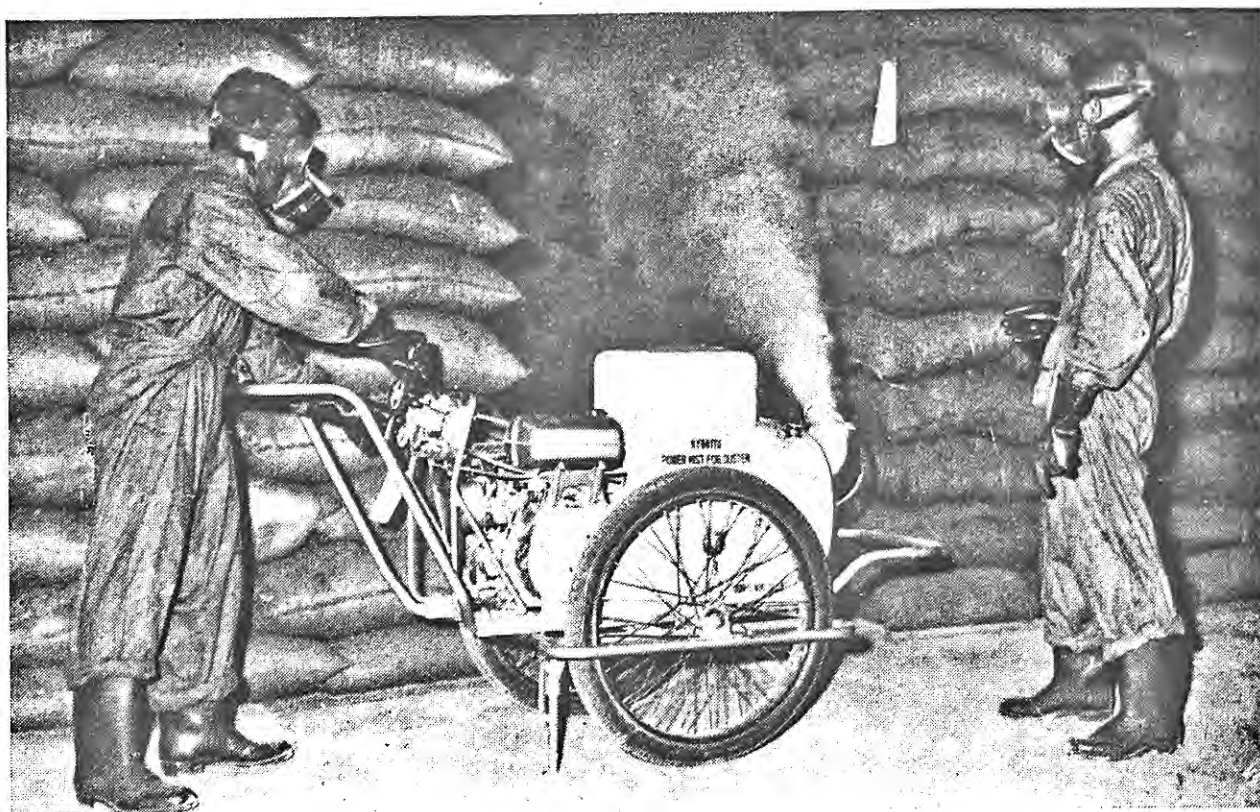
The ARDC is being charged with the special task of growing pure strains of paddy; *Emata Sughandi* along the Rangoon-Prome line and *Ngasein*, *Kaukkyi*, *Ngakywe* and *Sabanet* in the Delta. It is conservatively estimated that 400,000 tons of high quality rice will be produced during 1960.

One reason why Burma rice does not compare favourably with other rice is that the rice mills in Burma are those which have existed for the past 30 years or so and have seen better days.

Consequently, steps were taken by the SAMB to renovate some of the old mills and to put up new modern ones to raise the quality of milling. For renovation purposes, the SAMB is to procure from abroad stores and equipment which will be given out to deserving mills on long-term loan basis.

For erection of new mills, the SAMB has already placed firm orders with foreign suppliers.

The installation of six new mills, out of twelve intended, is expected to be finished about the end of 1960. Until then, high quality rice is to be milled in the two mills, one German and the other American, owned by the SAMB.



Fumigation of rice stocks by smoke generator at SAMB Ahlone godowns

(e) *Loading and Shipping.*—Prompt shipment of rice and rice products depends to a considerable extent on port facilities as well as on loading capacity. In the past, due to inadequate port facilities, there have been occasions when there was inordinate delay in loading for which the SAMB has to incur heavy demurrages. Such state of affairs, besides causing port congestion is detrimental to the fair name of Burma rice.

In the circumstances, the SAMB with the co-operation of the Port Authorities, took steps to improve the loading facilities by constructing two new wharfs to be exclusively used for SAMB rice. Hteedan No. 1 Wharf has already been completed. Ships can now berth alongside it for direct loading. At Ahlone No. 2 Wharf similar arrangements are being made to

facilitate direct loading. Conveyors are being installed at Hteedan No. 1 Wharf and will be completed very soon.

Improved port facilities and better relations between the SAMB and labourers, have facilitated speedier loading and shipping. During 1959 the SAMB has earned "Despatch Money" more than it has incurred demurrages.

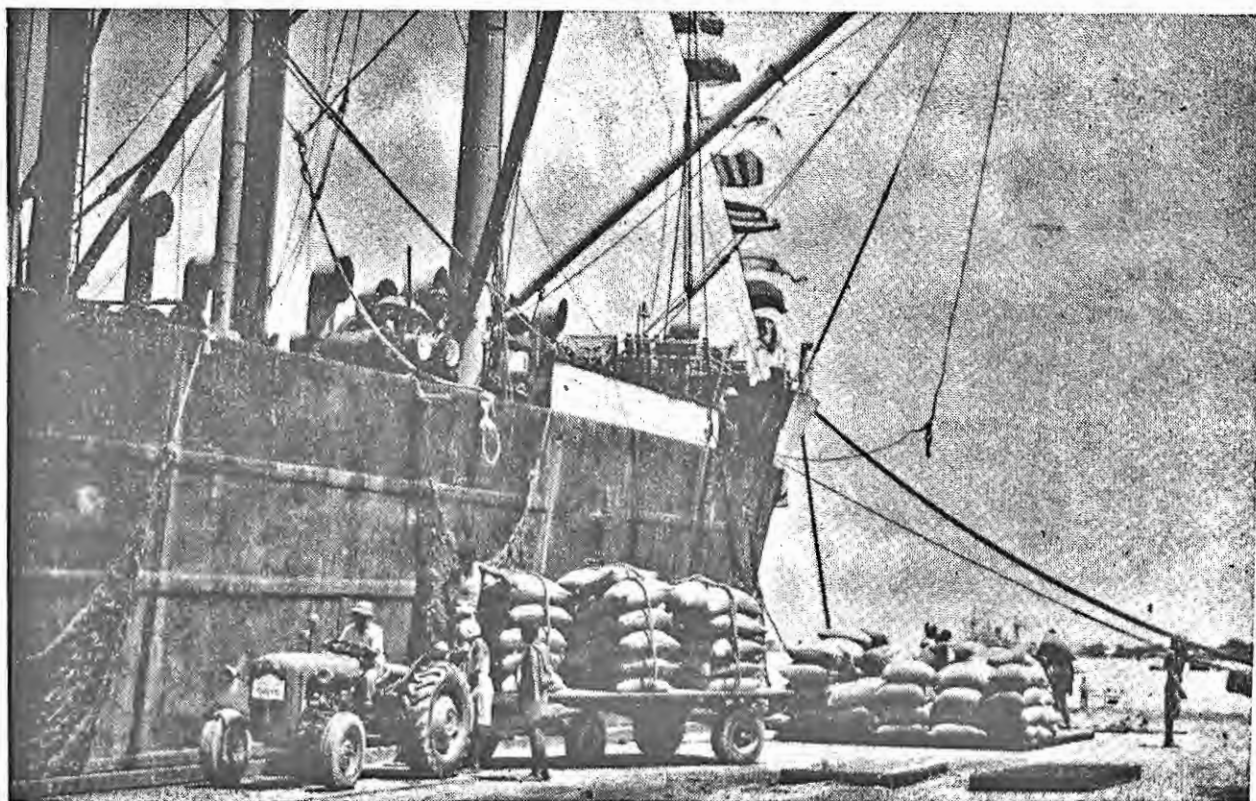
The first record loading in post-war years took place in April 1956 when 7,685 tons of rice were loaded on a single day. This record was broken during the time of the Caretaker Government when 7,583 tons were loaded in July 1959 and 10,590 tons in October 1959. The efficiency of the SAMB in loading and shipping can be seen from the statement of figures on the next page.

*Shipment of Rice and Rice Products in 1958
and 1959*

Month.		1958 (Tons).	1959 (Tons).
January	...	75,198	53,665
February	...	88,069	105,009
March	...	187,445	180,585
April	...	181,996	185,912
May	...	163,631	118,812
June	...	134,872	107,302
July	...	136,770	201,185
August	...	136,186	197,704
September	...	70,077	175,079
October	...	137,022	243,573
November	...	95,726	100,687
December	...	61,348	111,624
Total	...	<u>1,468,340</u>	<u>1,781,137</u>

As a result of improved loading, the SAMB has earned despatch money more than demurrages incurred. During 1958 and 1959, the amount of despatch money earned was 18.9 lakh kyats against 1.14 lakh kyats incurred as demurrages.

(f) *Loans.*—The SAMB has issued different kinds of loans to the millers and non-millers for paddy purchase, repair of rice mills, construction of godowns, etc. Much of the time of the SAMB staff was occupied with these loan matters to the detriment of their more important work of rice procurement and sale. When the Caretaker Government took over, there was an outstanding amount of 179.61 lakhs. Those who had taken loans from the SAMB on various excuses defaulted in repayments and drastic measures had had to be taken for their recovery by legal action as well as by executive action. As a result, a total of K 1.07 lakhs has been recovered to date. Under the present regime, K 259.15 lakhs were issued and K 255.97 lakhs repaid, leaving a small balance of 3 lakhs. This balance the SAMB is making all-out efforts to recover as early as possible.



Loading of rice for export at the Ahlone docks

Since the issue of loans is not considered to be the normal function of the SAMB it has been decided not to issue loans by the SAMB for paddy purchase and godown construction. Instead, such loans will be issued by commercial banks. For this purpose the SAMB will finance the indigenous Burmese banks.

(g) *Bran Oil Plants*.—One important activity which is of vital importance to the national economy is the rice bran oil project. Burma is importing about 20,000 tons of edible oil annually at a cost of Kyats 3 crores.

Since edible oil can be extracted out of rice bran at a comparatively low cost, imported groundnut oil can be substituted by locally extracted bran oil, thereby stopping drainage of foreign exchange. It is estimated that 40 mills will be sufficient to produce 20,000 tons of edible oil. The success in extraction of edible oil from bran has already been proved by the two existing plants.

The SAMB has now launched this "bran oil scheme" by taking necessary steps to install initially 10 rice bran oil plants in the near future. The plants will be disposed of to interested parties on long-term hire-purchase system.

(B) IMPORT TRADE

The import policy of Government also underwent a change during the present regime. The change was in the direction of liberalization of imports.

Previously, consumers' interest was sacrificed in favour of protectionism. Now, the main objective of import policy is to safeguard the interests of the consumers as far as it is consistent with protection for the deserving local industries.

Thus, some items the import of which were banned before on grounds of protection of domestic industries are now allowed

to be imported. The return to convertibility of currency has also made possible the issue of import licences on global basis, thus removing discrimination against importation of dollar goods.

The import of the essential items of foodstuff, textiles and building materials has been monopolized by the CSMB, Co-operatives and the JVCs. As there is almost no competition in the import trade of these commodities and because these organizations are not run in accordance with business principles and practice, the distribution of these essential commodities caused considerable inconvenience and hardship to consumers. It therefore appears that the criticism made by the trading community that these monopolies are the cause of rising prices of commodities is well founded.

To deal with this situation and in order to encourage healthy competition, the Caretaker Government decided to relax those monopolies by allowing private trade also to have a share in the import trade of foodstuff, textiles and building materials. The liberalization of the import trade of these essential commodities greatly contributed to the lowering of the cost of living.

Another objective of the new trade policy is fostering of domestic industries by restriction of import of those goods which can be produced locally and by adopting a liberal policy for import of raw materials essential for these industries.

The previous Government had been very liberal in affording protection to the local industries by way of trade action irrespective of whether or not locally manufactured goods can compete with foreign goods in price or in quality. But the Caretaker Government intends to encourage and protect only those industries which are essential to the economy of the country or those which can produce quality goods economically.

For approved industries, every facility is afforded by Government to obtain the required raw materials and assistance is given to market the finished products. A Standing Committee has been formed, which includes representatives of the Ministries of Industry and Trade Development, to implement this policy.

A marked feature of the import policy of the Caretaker Government is the linking of export of rice to import of commodities. Understandably, it is the policy of General Ne Win's Government to import as far as practicable more goods from those countries which are regular customers of Burmese rice. The importing agencies in this respect are the Government and semi-Government organizations.

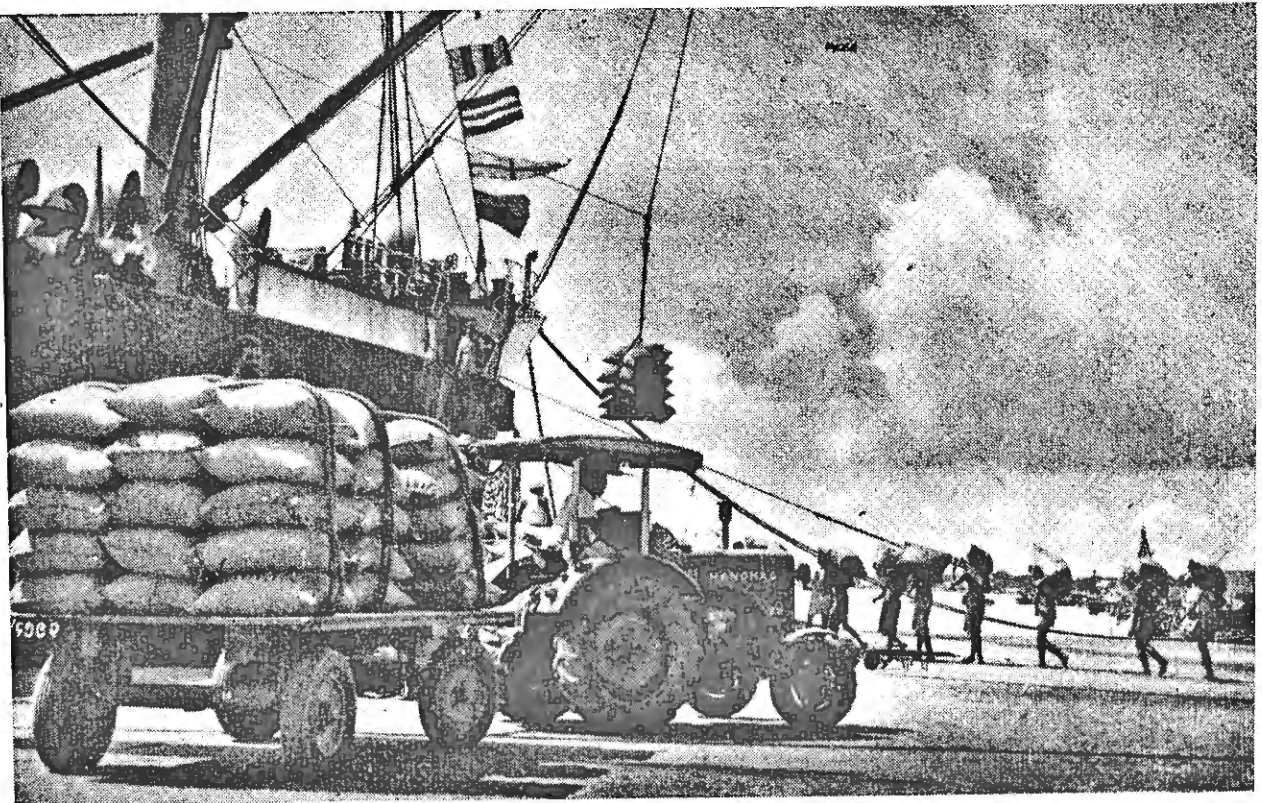
Nevertheless, Burma is still bound by rice barter agreements with three of the Eastern European countries. In practice, however, these agreements have not worked

to mutual advantage. Burma still has large credits in these countries on account of rice sales, inspite of all efforts to import goods from these countries.

The main reasons why goods from the barter countries are not popular here are high prices, uncertainty of delivery and inordinate delay in placing of orders. The barter agreements are now under review by the Caretaker Government.

(1) *Deregistration of firms.*—There were about 3,000 firms registered as importers. Of these import firms, the majority were dealers in import licences rather than *bona fide* importers on their own. In the past, Government has been very liberal in granting registration to these firms, especially to the Burmese firms in pursuance of the policy to Burmanize the import trade.

The results were however very discouraging since almost all these firms registered as Burmese firms were lacking in capital and



Both manual and mechanical means of loading rice for export

business acumen to engage in import trade. Naturally, instead of earning money by business methods they followed the short cut to make money by sale of their licences. These spurious firms were the main culprits responsible for the resulting high prices of consumer goods.

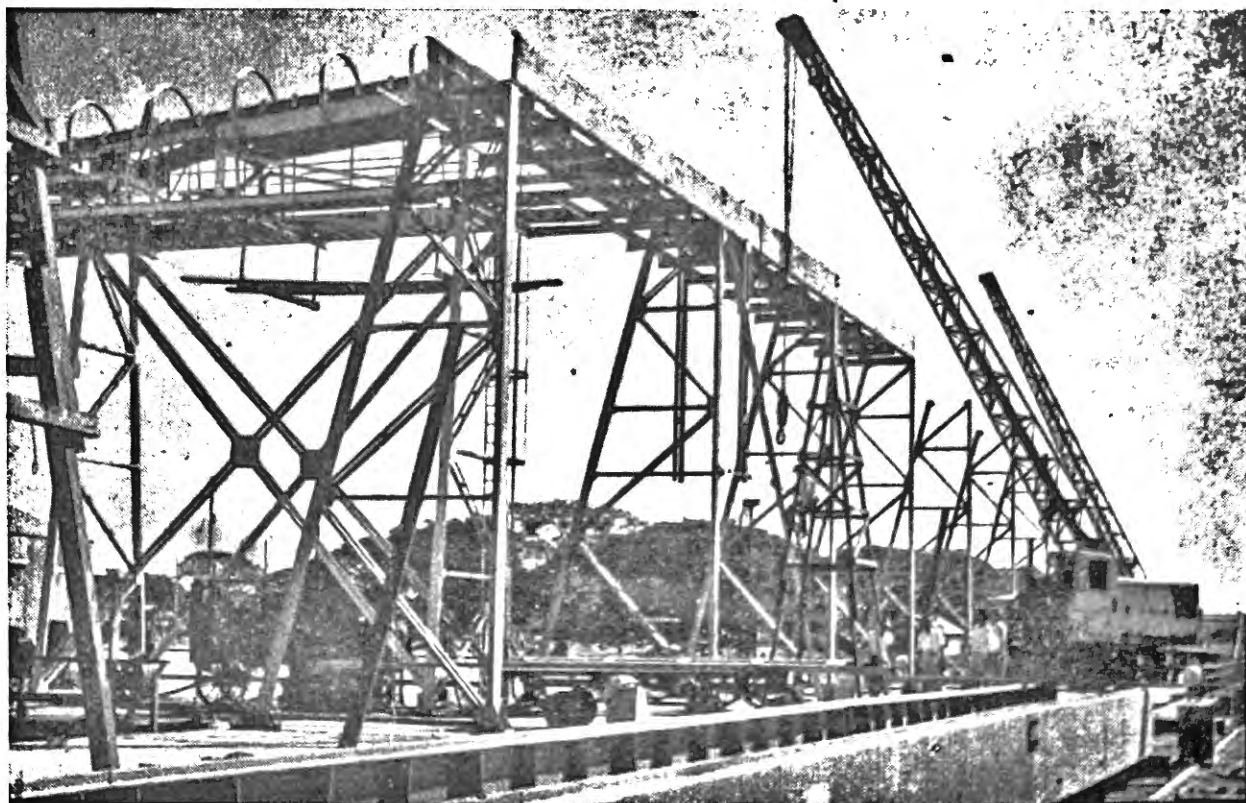
No doubt, the majority of the resigtered firms were Burmese, and all was well with the policy of Burmanization of import trade, but the fact remained that trade and commerce of the country had been entirely in the hands of foreigners while these Burmese importing firms only served as mere "fronts" for the foreign business interests. As a matter of fact, the prospect of sound business was not quite healthy.

In this context, it was obvious that swift and drastic measures had had to be taken if conditions for a healthy business atmosphere were to be restored.

Thus, the first important step taken by the Caretaker Government was to deal effectively with bogus importing firms. Teams were sent out simultaneously to make on-the-spot checks of these registered import firms.

On the report of these inspections, many firms were struck off from the register mainly on the ground of inadequate finance and trafficking in import licences. Out of 3,000 registered firms, about 2,000 were deregistered. The majority of the deregistered firms are Burmese.

General Ne Win's Government has however provided for suitable arrangements to convert these deregistered firms into wholesalers or retailers on a registered basis. With this object in view, all such cases are being carefully reviewed. The step would also mitigate, to a great extent, the inevitable hardship caused to those



Installation of the Automatic rice loader at the Ahlone docks

people whose firms have been deregistered through dislocation of their "normal" pursuit of a livelihood.

Statement of Deregistered Firms

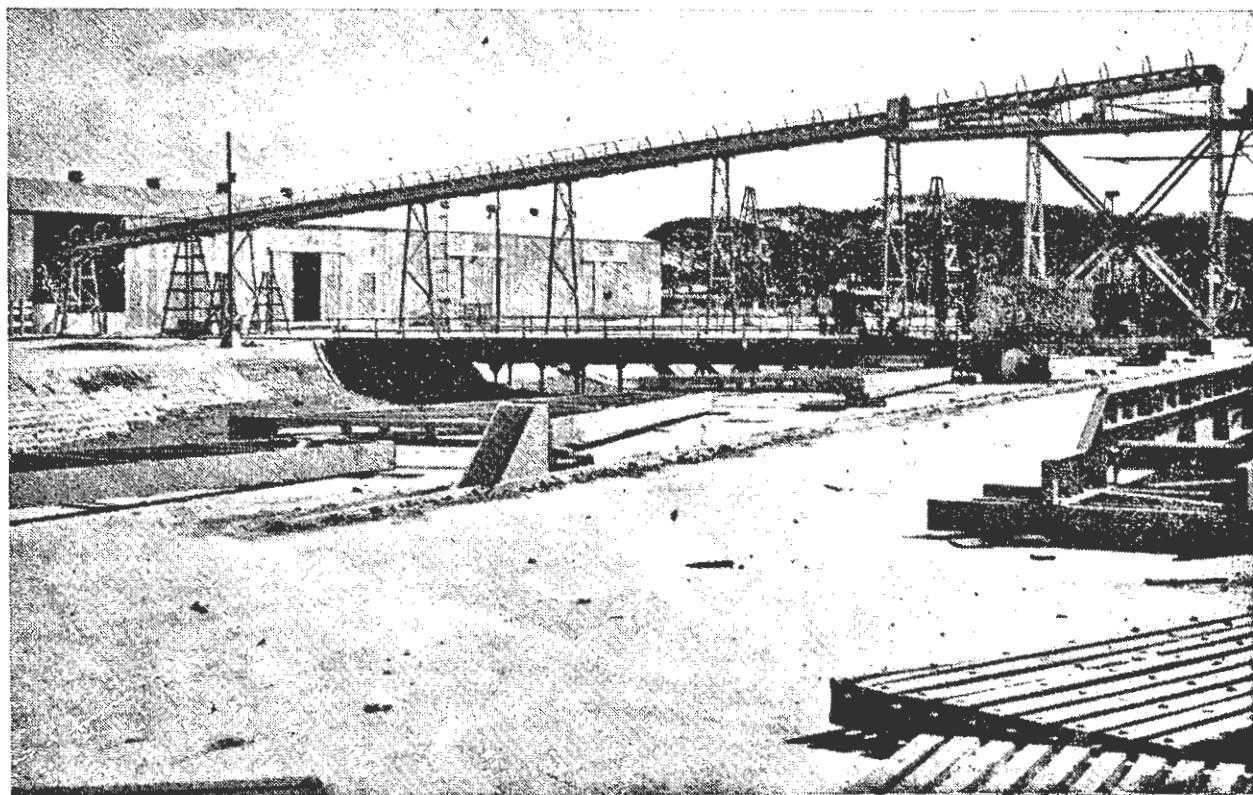
<i>Type.</i>	<i>Total number of registered companies.</i>	<i>Total number of companies deregistered.</i>
Burmese	2,294	1,721
Chinese	67	18
European	27	18
Indian	418	214
Private limited companies	230	57
Public limited companies	50	14
 Total	 3,086	 2,042

In line with the Caretaker Government's declared objective of Burmanization of the import-export trade of the country, a significant step has been taken by invoking paragraph 20 (1) of the Registration (Importers and Exporters) Order of 1954.

This Order enjoins upon the various firms compulsory employment of Burmese nationals on their staffs, on the ratio of 50 : 50 among those drawing monthly emoluments of above K 500; and 75 : 25 among those drawing less (75 per cent Burmese nationals and 25 per cent others). This has proved a wise step towards training Burmese nationals in trade and commercial practices, and rapid Burmanization of the commerce sector.

(2) *Import Licensing*.—The one great factor which can effectively check the rise of prices of commodities is the regular flow of imported commodities. With this end in view, the licensing system was overhauled through relaxing unnecessary controls.

When the Caretaker Government took over, some of the essential commodities, such as medicines, chemicals, invalid and baby food, etc., were on the OGL list.



Automatic rice loader at Ahlone is finally installed to implement speedy export of rice

The import of these commodities, however, was subject to exchange control and the result was that OGL system was found unworkable so far as these items were concerned. In effect, such controls within control were found to be worse than licensing. Accordingly, this anomaly was removed by the Caretaker Government by revising the OGL list.

Under the new OGL list, only a few items of non-speculative items have been retained while the rest are subject to licensing. The aim was to reduce OGL imports from the high level of previous years and to prevent surreptitious exchange remittances under cover of OGL imports. Exchange control in regard to the items on the OGL has since been lifted. With regard to licensed items, arrangements are underway for speedy issue of licences according to the policy laid down by the Caretaker Government.

A. Import Licences issued

(In lakhs of Kyats)

Type.	1957-58.	1958-59.	1959-60 (First half).
	K	K	K
1. Trade ...	1,167'90	3,047'11	1,629'05*
2. Industry ...	1,067'39	858'12	206'96
3. Mining ...	196'00	199'80	22'56

* Excluding 200 lakhs allotted to the Rangoon Drug House for import of medicines.

B. Principal Items for which Import Licences are issued

(In lakhs of Kyats)

	1958-59.	1959-60 (First half).
	K	K
1. Textiles ...	1,125'9	377'4
2. Foodstuffs ...	230'0	132'3
3. General Hardware and Building Materials ...	217'4	113'9

C. Imports by Type of Commodity

(In Million Kyat)

Type of commodity	1956-57	1957-58	1958-59 (First half)	1958-59 (Second half)	1958-59 Total
	K	K	K	K	K
Consumer goods ...	936	626	290	336'132	626'132
Food, drink and edible oil ...	140	170	72	75'921	147'921
Textiles ...	184	105	34	67'021	101'021
Medicines ...	54	33	23	7'041	30'041
Fuel ...	51	45	23	22'659	45'659
Materials raw and semi-manufactured (for the manufacture of consumer goods).	217	86	59	57'017	116'017
Others (including tyres and tubes)	290	187	79	106'473	185'473
Capital goods ...	386	483	177	153'650	330'650
Building materials ...	128	164	57	49'614	106'614
Machinery, appliances and apparatus.	120	190	73	63'610	136'610
Private motor cars ...	13	8	3	2'672	5'672
Bicycles and parts ...	6	2	1	1'491	2'491
Other transport equipment ...	99	97	35	26'143	61'143
Others ...	20	22	8	10'120	18'120
Total ...	2,644	2,218	934	979'564	1,913'564

At the beginning of the financial year 1958-59, it was not possible to issue licences as speedily as programmed because of the time lag involved in checking and deregistering the spurious firms. The second half of the financial year however witnessed a speedy issue of licences to catch up with the back lag.

This momentum was continued to the current financial year and all licences for the first half of the year have now been issued. In furtherance of the Burmanization policy, General Ne Win's Government has decided that with effect from 1st June 1960, importation of goods will be allowed only if the agencies for these goods are held by Burmese nationals.

(C) INTERNAL TRADE

One of the dedicated tasks of the Caretaker Government, in line with the policy objective of internal trade has been to lower the cost of living. The political upheaval in the first half of 1958 was accompanied by disruption of economic equilibrium resulting in spiralling prices of commodities.

Various factors contributing to the high cost of living are: profiteering, speculative hoarding, black marketing, inadequacy of transport facilities, high rates of freight and unsystematic distribution.

(1) *Campaign to lower prices.*—The first campaign to lower the prices of commodities was launched against the "Economic insurgents" as the profiteers, hoarders and blackmarketeers were called.

A high-powered committee known as "the Committee for Suppression of Economic Insurgents" consisting of Army and civilian officials was formed to deal effectively with this anti-social crime. As the situation demanded, swift and drastic action was taken against persons and organizations involved in hoarding and blackmarketeering.

This initial action against the dishonest traders has, more than any other measure, contributed to the big drop in prices of commodities very soon after the Caretaker Government took office.

Concurrently with the action taken against the economic insurgents, the Committee for Suppression of Economic Insurgents took other measures to impose stringent controls on the prices of essential commodities, to improve transport facilities, to reduce the high freights and to change the distribution system of the CSMB, Co-operatives and the JVCs.

The maximum profit margin on the essential commodities was fixed at $7\frac{1}{2}$ per cent for the importer, further $7\frac{1}{2}$ per cent for the wholesaler and a further 10 per cent for the retailer. All shopkeepers were also required to fix price tags on all wares placed on display for sale. These measures have undoubtedly proved to be a veritable set-back for the hoarders, black-marketeers and profiteers.

Transport facilities were also improved by making the public highways safe for journey by day and by night. Another measure taken in this respect was the reduction of freight rates on all the State-owned carriers. Freight rates on the Burma Railways and the Inland Waterway Transport system were slashed and proper supervision was exercised over the carriers for the safe custody of the cargo placed in their charge.

Apart from the high prices of consumer goods, considerable hardship had been experienced previously owing to lack of access to the goods. There had been a multitude of defects in the system and mode of distribution resulting in plenty in some quarters and a dearth in others.

To remedy these defects, the Caretaker Government took effective measures to

overhaul the distribution system of the CSMB, Co-operatives and the JVCs by circumventing superfluous procedural limitations. Accordingly, rationing system was replaced by a wider and direct distribution system.

Under the previous system, the commodities had had to pass through a number of stages before they reached their destination. The new system is designed to ensure that all essential commodities reach the consumers direct.

This system was improved further by the opening of "fair-price" shops by the CSMB, JVCs and the Co-operatives in all district headquarters throughout the country. At present, there are 23 of these fair-price shops in Rangoon alone.

The activities of these major agencies in the campaign to lower the prices of essential commodities were complemented by the various projects under the Defence

Services Institute to meet other pressing needs of the people, such as fish, meat, chicken, etc.

Through these and other measures, the Caretaker Government has successfully sought to bring down the general cost of living so as to alleviate in no small measure the lot of the people in general.

(2) *Activities of the JVCs.*—Besides private trade, the three major organizations engaged in internal trade are the CSMB, the Co-operatives and the JVCs. All of these organizations underwent a change of policy during the present regime, but the most radical changes took place in the character and functions of the JVCs.

Under the previous Government, altogether eleven JVCs were formed. Nine JVCs were trading concerns and the remaining two were industrial concerns. The main purpose of the industrial JVCs was to procure industrial raw materials



Rice-cooking instructions and tasting of Burmese rice samples at the European Trade Fair

from abroad and to supply to the individual industrialists at cheap prices.

But, in actual practice, the industrial JVCs were no better than indenting houses serving no useful purpose either to the Government or to the industrialists. Invariably, there had been much delay in procurement of raw materials, while the prices at which they were distributed were not competitive either. Timely action was therefore taken by the Caretaker Government to liquidate the two industrial JVCs.

(a) *New Scope of the JVCs.*—The number of JVCs in operation now has thus been reduced to nine. Originally, the main function of these JVCs was importing and distributing. Since the JVCs are semi-Governmental organizations made up of both private and governmental capital *plus* business experience of private trade, it was considered by Government that the JVCs should expand their activities still further in the economic field. It is the intention of the Government that the JVCs should be able to stand up to competition by foreign business concerns in the larger interest of Burmanization of trade and commerce in the country. Consequently, the Government has given every encouragement to the JVCs to reorientate themselves and to develop an entirely new trade outlook. The JVCs on their part have now diversified their economic activities.

In addition to importation of goods and their distribution, they could now avail themselves of the opportunity and facilities to undertake export business as well and to embark upon industrial projects. Exploratory action has since been taken by the JVCs to export rice, timber, pulses, beans, etc. Negotiations are also being conducted for setting up of paper and tyre factories. A few JVCs have already started export of dried chillies and groundnut oil cakes while a JVC has gone into internal trade through exchange of goods within the country.

Nevertheless, for some time to come, import business will continue to be the main function of the JVCs. As the JVCs have to give up their monopoly in imports of foodstuffs, textiles and hardware, they could now take up other lines of business as well in competition with private trade. As a result, JVCs' role in the import trade has assumed considerable proportions, judging from the value of import licenses issued.

Value of Import Licences issued to JVCs

Year.	Value in lakhs.
	K
1957-58 ...	398
1958-59 ...	991
1959-60 (First half) ...	553

(b) *Change of Administrative System.*—Previously, each JVC was put under the management and control of a Managing Director assisted by three Directors in-charge of three lines of business, *viz.*, hardware, foodstuff and textiles. As elected public Directors, the Directors in these lines of business should concern themselves more with laying down of policy than detailed execution of policy.

Much of policy making however was left to the two Government-nominated Directors. This arrangement has had an adverse effect on the working of the JVCs. Accordingly, the administrative set-up of all the JVCs has been reorganized and the Managing Director made responsible for administration itself. Now that the public Directors are relieved of their executive functions, they could concentrate their attention more on policy matters.

(c) *Change in Procurement System.*—Under the previous system, purchases were made for all JVCs by a joint committee of "line" Directors. Such a system of joint procurement not only marred the spirit of competition among the Joint Venture Corporations but also created an unhealthy economic situation in the country as simultaneous arrival of goods for all JVCs

caused port congestions and delay in clearance. Furthermore, identity and similarity in the quality, pattern and design of textiles imported more often than not left the consumer with little or no choice. The Caretaker Government has therefore eliminated this system of joint purchase and now the JVCs are given a free hand to make purchases of their own choice and on their own responsibilities, save in exceptional cases for tactical reasons. This is a change for the better since it is sound trade practice to allow freedom of choice in procurement of commodities.

(d) Change in Distribution System.—

Out of the nine JVCs, four were formed to serve specified areas. Five other JVCs catered for the whole country and having no definite areas of operation, they could distribute the goods throughout the country through their appointed wholesalers and retailers.

This had placed the four JVCs at a disadvantage since they were in no position to compete with the remaining JVCs either in Rangoon or outside their areas of operation.

The Caretaker Government has given the matter careful consideration and accordingly decided on reallocation of areas of operation for all JVCs as shown below:

- | | | |
|-----------|-----|---|
| 1. JVC 2 | ... | Pegu Division 2 (Pegu and Toungoo Districts). |
| 2. JVC 3 | ... | Sagaing Division and Chin Special Division. |
| 3. JVC 4 | ... | Irrawaddy Division. |
| 4. JVC 5 | ... | Pegu Division 1 (Prome, Tharrawaddy and Insein Districts). |
| 5. JVC 6 | ... | Magwe Division and part of the Chin Hills Special Division. |
| 6. JVC 8 | ... | Shan, Kayah and Kachin States. |
| 7. JVC 9 | ... | Mandalay Division. |
| 8. JVC 10 | ... | Tenasserim Division and Karen State. |
| 9. JVC 11 | ... | Arakan Division. |

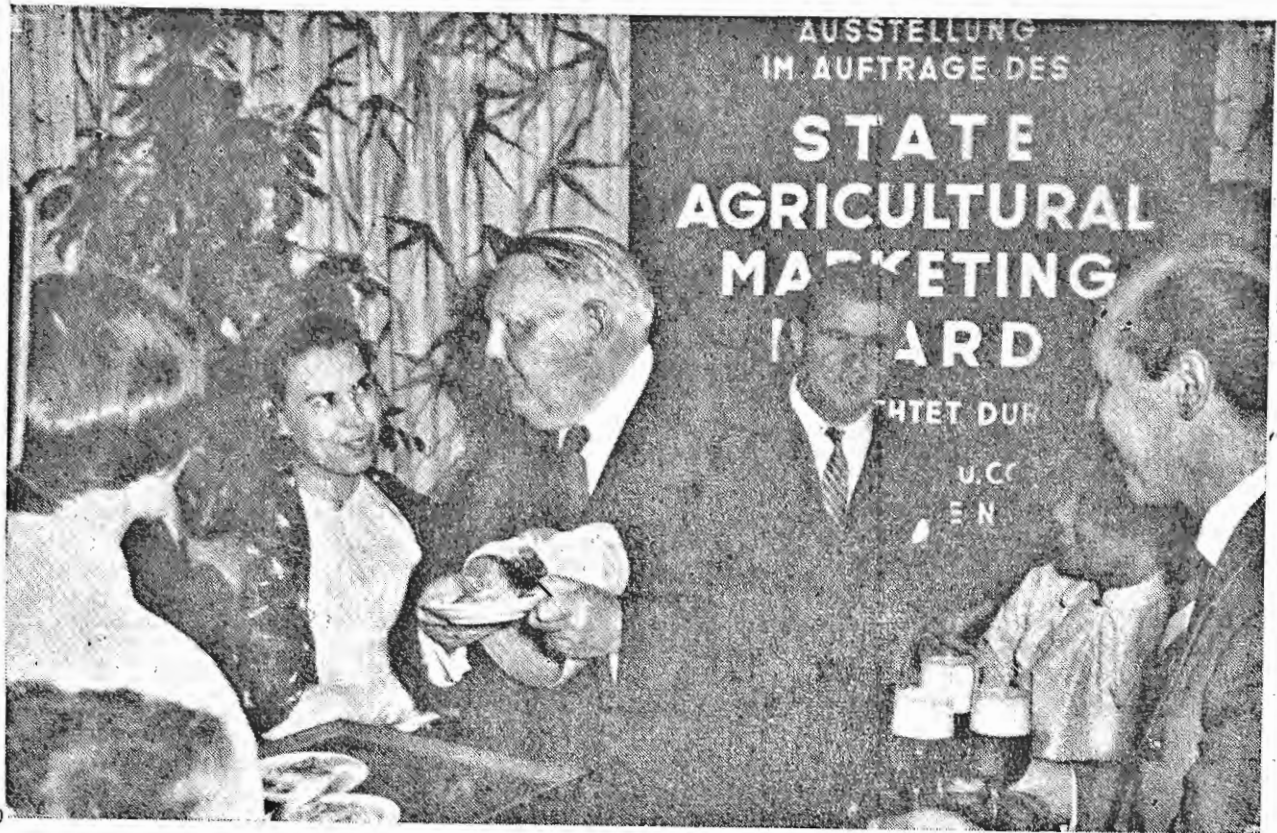
In the past, goods imported by the JVCs were distributed through the medium

of wholesalers and retailers. As this system of distribution through various stages had the undesirable effect of causing undue delay in the flow of goods to consumers and also of black marketeering of the commodities, it was decided to dispense with wholesalers and middlemen in Rangoon and in district towns.

Under the previous distribution scheme, only about 10 per cent of the goods imported by the JVCs actually reached the districts, while the remaining 90 per cent were all sold in Rangoon. It is common knowledge that most of the wholesalers from districts also disposed of their quota of goods in Rangoon so much so that commodities seldom reached consumers in the districts as was intended.

Under present arrangements however, each JVC has to distribute 40 per cent of its total imports in Rangoon while the remaining 60 per cent must be distributed to specified areas. To ensure wide distribution of essential items, groups of dealers in small towns who undertake to comply with the instructions of the respective JVCs are opted to open retail points in their towns in addition to retail shops opened by JVCs in the districts.

*(e) Fixation of Profit Margins.—*The pricing policy of JVC commodities has also undergone a radical change. Although the JVCs were formed with the main objective of bringing down the prices of commodities in actual practice the goods imported by the JVCs were as a rule sold at a huge profit since prices had been fixed just a little below the prevailing market prices. The reason advanced was that if the JVCs were to lower the prices of their goods, it would have had the effect of encouraging the blackmarket. Now that General Ne Win's Government has effectively imposed price control on essential commodities, the profit motive of the JVCs may have been eliminated once and for all.



West German Economics Minister Professor Erhard has a taste of Burmese rice and curry at the European Trade Fair

(D) DEFENCE SERVICES INSTITUTE

Occupying one of the vital sectors in the economic development of the Union of Burma the Defence Services Institute today stands prominent in the nation's economic life. The Defence Services Institute has achieved maximum success in the widest area and with the greatest benefit in its activities so that it has successfully founded business enterprises hitherto alien to Burmese experience. Thus the Defence Services Institute has been able to erect new pillars for the nation's economy.

With the relief and welfare of the members of the Army, the Navy, and the Air Force as its main object, the Institute was organized in 1951 and registered under the Burma Companies Act in 1958.

The Defence Services Institute (DSI) is staffed with civilians under the direction of senior officers of the Armed Forces.

Contrary to regular practice of other companies no profits made by the DSI are to be distributed as such or as bonus to any individual. Instead, under the Memorandum of Association of the company, all profits are to be utilized for the welfare of the members of the Armed Forces.

In recognition of this distinctive aim the Government has loaned the DSI K 6,00,000 as capital and refunded all dues such as customs duty, port fees and sales tax. The DSI has now repaid the loan.

The first effort of the DSI was the establishment of a department store in Rangoon for the sale of foreign and domestic goods at low prices to members of the Armed Forces. To help those serving in the districts, the DSI has opened branches in all brigade headquarters.

In 1951, the DSI established the "Pyinnya Letyone Literature House" in order to make

available at low prices books, periodicals and stationery for the members of the Armed Forces and their dependents. Originally, the Literature House was meant for the members of the Armed Forces only, but it was reorganized in order to expand its activities to serve the public, especially students who had to pay high prices for books and stationery.

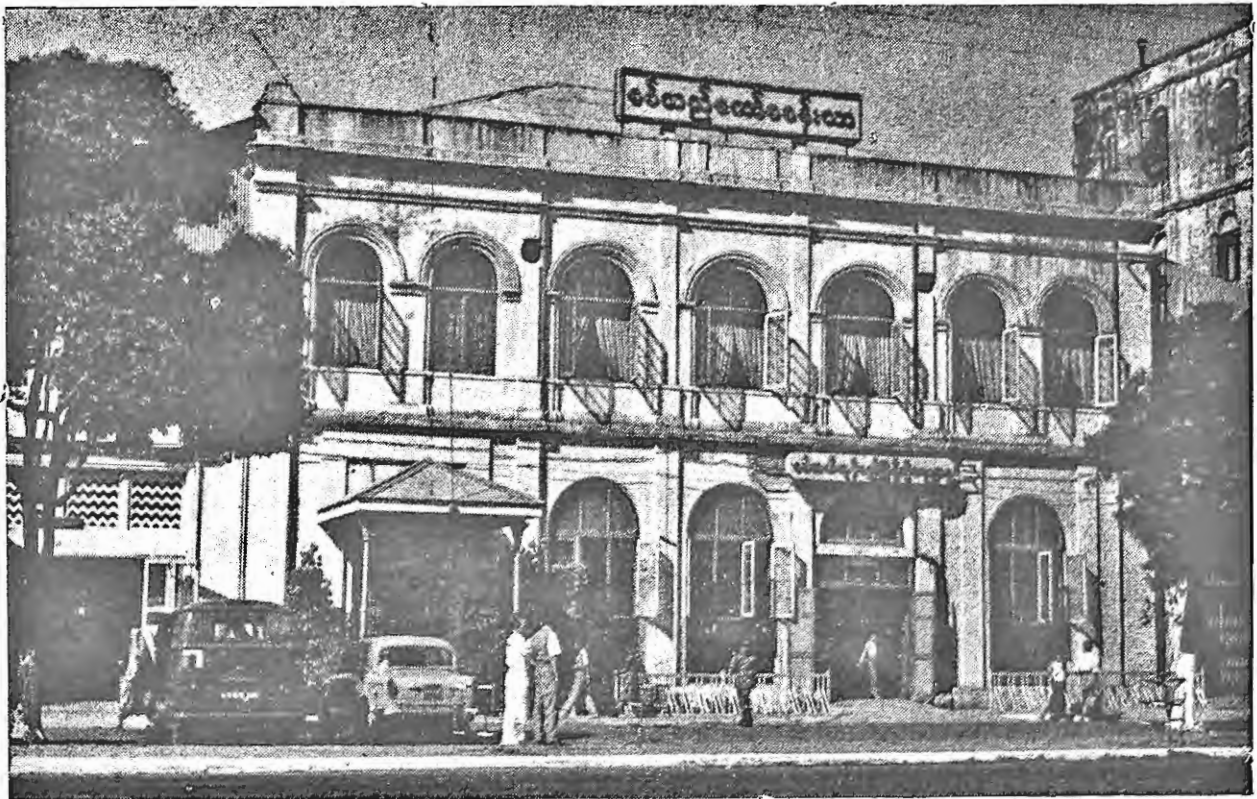
Thus, in 1956, another company registered under the name of Ava House was established. Due to the lead given by the Ava House in charging low prices there was a general reduction in the prices of books and stationery.

(1) *For the Development of the National Economy.*—"Section 42: The State shall direct its policy towards giving material assistance to economic organizations not working for private profit. Preference shall be given to co-operative and similar economic organizations."

The said paragraph appears in Chapter IV, entitled Directive Principles of State Policy, of the Constitution of the Union of Burma. It was placed in the Constitution with the principal object of promoting co-operatives and other non-profit enterprises so that they will not fail to take their place in the economic framework of Burma, which is based on socialist economic principles.

Extreme reactionaries vigorously fought the co-operatives when the Government set them up on the economic soil, which then still reeked of servitude born under colonial economy. However, the Government stood firm by the co-operatives in accordance with the principles laid down in the Constitution.

According to the paragraph in the Constitution reading: "The State shall direct its policy towards giving material assistance to economic organizations not working



Departmental Store of the DSI

for private profit " clear-cut decisions were made during the Bogyoke Government to implement the policy in spite of severe criticism from reactionaries, deviationists and economic self-seekers.

The DSI, which previously had looked only to the welfare of the Armed Forces, accepted the challenge to enter the battle on behalf of the non-self-profit economic organizations for the welfare of the people and the economic progress of the country, brandishing the war banner entrusted to it by the Bogyoke Government.

Burma has won independence politically, but not economically. If Burma was to cut loose from its state of dependence and achieve real freedom, Burma must win the battle for economic progress and greater production. Only then will the citizens of the Union be able to achieve full stature as a free people. The moment the DSI entered the lists a new strength was born in the nation's economy.

The nation's Economic Steering Committee gave the DSI the general responsibility of lowering commodity prices and other important economic tasks, in the same manner as it charged other departments—unsparingly.

The Government was quite aware of a K 4,50,00,000 shipping concern, which lost yearly K 50,00,000. The DSI was loaned K 12,00,000 and charged with tackling the problem of inadequate cargo service for Burma's exports and other shipping problems through the opening of a new shipping company. Within six months of its founding the new company has achieved a place in the worlds' shipping.

As the next step, the DSI was given the task of solving the problem of banking, so important a pillar in a nation's economy. Within six months, the Ava Bank was established and made to encourage Burmese industry,

Because the time afforded was short, the venture was pushed hard and now it has become a strong backbone of Burmese commerce and industry. It will achieve greater success in a not-too-distant future. A further step will be to compete with foreign firms which have so far succeeded where Burmese efforts have failed.

The DSI is not intended to compete with nor wrest the the market away from Burmese firms, large or small. Neither will it serve to cripple them beyond recovery. It will gradually become clear that the DSI is concerned primarily, with fostering Burmese enterprise. Such non-profit organizations as the DSI are so rare as to be almost non-existent elsewhere in the world. It is difficult to be more selfless than this.

However, in the belief that those who have led the country in many battles during the various stages of the revolution will also be able to lead the country successfully again in this battle, those in command have entrusted the responsibility and those who serve have accepted. At first, some private business people have feared that their business would suffer, but now except the profiteering blackmarketeers the business world remains quite satisfied.

(2) *Lower Prices, Relief and Welfare.*—Before the formation of the Bogyoke Government, the DSI procured for the Army peanuts, split yellow peas and peanut oil, so as to ensure their quality and satisfactory prices. It was perceived that the people had to buy fish and prawn at high prices so that they never had enough. Moreover, no company or any individual had been able to operate the sea fishing industry successfully. Therefore, the DSI studied ways and means to successfully operate the industry.

When the Bogyoke Government was formed, the DSI had already begun the sea fishing industry with fishing vessels and

complete fishing gear from Japan, with the assistance of Japanese experts. At that time, fish brokers and traders on the one hand and fish co-operatives on the other were competing with each other in marketing fish.

However, this failed to benefit the public by bringing down the prices, or the fishermen by ameliorating their conditions.

For the relief and welfare of the people the Bogyoke Government fixed the price of meat, poultry, fish and dried fish. But because of self-seeking traders these became unavailable, causing great hardship to the people of Rangoon.

It was to solve this problem that the DSI planned and implemented the Freshwater Fish Project. The DSI and the Government were able to offer much relief to the people by bringing down the price of fish, meat and poultry, and by making them available in quantities sufficient to meet the demand.

Further, by working together with Japanese and Singapore Chinese fishermen, Burmese young men are undergoing new experiences and learning modern techniques in sea fishing.

The DSI has shouldered the responsibility of lowering the price of meat, poultry and fish and has solved the problem for members of the armed forces and the consumers of Rangoon. The DSI has also undertaken the responsibility of lowering the price of firewood and *ngapi* by forming the General Trading Co., Ltd.

Around Rangoon and in the city itself the company has sold firewood at low prices. It has also made available good quality "hmyin ngapi" at specially reduced prices to all members of the armed forces, the families, and the dependants all over Burma. Since the beginning of the Firewood Project, the price level for fuel has gone down so that in and around Rangoon

people have switched from charcoal or kerosene to firewood sold by the DSI. Even factories have begun to use DSI firewood.

Ngapi is a consumer item used by all Burmese regardless of status in life. Thus, in tackling the problem of high prices this commodity is given first priority. The DSI sent its representatives to the shores where *ngapi* is manufactured and with a view to obtaining good and hygienic varieties of *ngapi* it advanced money and signed contracts for supply of this commodity.

Because of such careful attention the price of *ngapi* has remained stable even in seasons of unreasonably high prices and the Firewood-*Ngapi* Project has helped solve the problem of high prices.

Fall in Prices of Essential Foodstuffs

Name of Foodstuff.	Quantity.	Former Price.	Present DSI Price.	
			K	K
1. Chicken	... One viss	6 to 7	5	00
2. Pork	... "	5 to 6	4	50
3. Duck	... "	5 to 6	4	50
4. Goat	... "	6 to 9	4	50
5. Hilsa Fish	... "	8 to 9	3	50
6. Butterfish	... "	8 to 9	4	50
7. Lobster	... "	6 to 8	3	50
8. Prawns	... "	4 to 5	2	50
9. <i>Hmyin Ngapi</i>	... "	2 to 3	1	55
10. Firewood sticks	100	3 to 4	2	30

(home delivery).

In this period of tenure of the Bogyoke Government, in addition to taking part in the fight to lower price level through Sea and Freshwater Fishery Project and Firewood-*Ngapi* Project, the DSI has also instituted the City Transport Project in order to help the Rangoon public and the people at the new town of Okkalapa.

The increases in population of Rangoon has been accompanied by an increase in the number of residences. In order to protect the city from fire and disease the new Okkalapa town was established and the hutments were removed from the city to the new town. The transfer was done in such a short time that the people were faced with the immediate problem of transportation.

The DSI stepped in to solve the problem. In a short period the City Transport Company was founded and an Okkalapa-Theingyi Zay (Rangoon) bus line was inaugurated with 25 Hino buses imported specially for the purpose.

The DSI has also given its attention to the relief and welfare of the hill peoples. It has not neglected them. It is making all adequate arrangements to distribute scarce commodities in the remote hill regions and inaccessible under-developed areas where transportation is a problem. Commodities urgently needed there are medicines and consumer goods. The DSI is also planning to develop cottage industries and plantations in the area by training the hill people.

Only some of the important projects vigorously implemented by the DSI in order to bring down the general price level and promote the welfare of the people, have been mentioned in this report.

In addition, the DSI has devoted its energy to industrialization so vital for the economic development of the country. In this connection, the Rangoon Electronic Works Company has begun functioning with a motor workshop in Mingaladon and a radio assembling plant in Pazundaung. The DSI is pushing ahead with its plans for opening a condensed milk plant, a shoe factory, and textile mills.

Later data outline in detail various activities and achievements of the organizations within the DSI.

A scrutiny of the achievements and general activities of the DSI will reveal four distinct parts :

- (a) Development of the national economy.
- (b) Lowering of prices and promoting welfare of the people.
- (c) Expansion into new economic fields.
- (d) Propagation of industrial and commercial knowledge.

For the development of the national economy the DSI has been able to take part in vital economic enterprises such as foreign and domestic trade. It has been able to stop major leakages in foreign exchange, and make available commodities of right quality at the right time when required through the establishment of a banking organization. By these and other measures the DSI has within the tenure of the Bogyoke Government made progress in the development of the national economy.

For the lowering of the general price level and promoting the welfare of the people, the DSI has worked successfully within a short period for the supply of firewood, meat, fish, poultry, *ngapi* and dried fish as an emergency measure. It has opened the City Transport Co., on a sound basis for the citizens of Rangoon. The DSI has further succeeded in ensuring implementation of a long-term programme of low prices for the consumer.

For the expansion into new economic fields the DSI has ventured into vital economic enterprises in which Burmese have had no previous experience, so that they will now have a hand in the control of the national economy. The DSI has succeeded in establishing new enterprises in commodity inspection, sea fishing, coal trade and radio assembling.

Commensurate with the venture into new economic fields the Burmese are now able to learn new trades and productive enterprises hitherto foreign to them. It

may be stated categorically that because of the efforts of the DSI, there has been progress in knowledge of economics, commerce and industry among the Burmese.

These are the four economic pillars set up through the efforts of the DSI. The DSI has been in the forefront of the establishment of Burmese economic progress. It will labour hard to ensure the strengthening of Burma's economy to the utmost, to raise the standard of living, and to make available consumer goods in large quantities at low prices.

(3) *Department Store for Armed Forces.*— In 1951 under the guidance of a council of twelve senior officers of the Ministry of Defence, the DSI was established and a department store opened at 181-189, Sule Pagoda Road. It was a period of high prices, and the aim of the department store was to make goods available to members of the armed forces and their families at lower prices than those prevailing in the market.

Before the establishment of the Defence Services Institute, the Government was unable to contribute to the welfare of the armed forces for various reasons. Nor were the people able to aid the armed forces except for occasional gifts. Although it was realized that entertainment centres and a department store were necessary for welfare of the troops neither the Government nor the armed forces were able to do so under the circumstances prevailing then. It was only after Independence that a beginning was made and a contractor was given the responsibility of opening a department store for the welfare of the members of the armed forces. However, this arrangement proved unsatisfactory and it was terminated.

Following the motto "Self Help is the Best Help", and convinced that only the armed forces can discharge fully the

responsibility of helping its members, the DSI opened a department store, modelled on the British NAAFI, with capital borrowed from the Government.

Following the opening of the DSI Department Store in Rangoon, branches were established in Meiktila, Mandalay, Maymyo and other towns at the request of the members of the armed forces. Within seven years the DSI Department Store has grown so that there are now 17 branches in towns where brigades are stationed. District Branch Committees were organized systematically to ensure the stability and progress of the branches.

At the request of the Discipline and Welfare Committee of the Ministry of Defence, wholesale shops were opened to further the welfare of the troops. These shops were to supply to the Family Welfare Retail Shops in each unit foodstuffs such as rice, cooking oil, fish, *ngapi*, dried fish, fish sauce, chillies and onions.

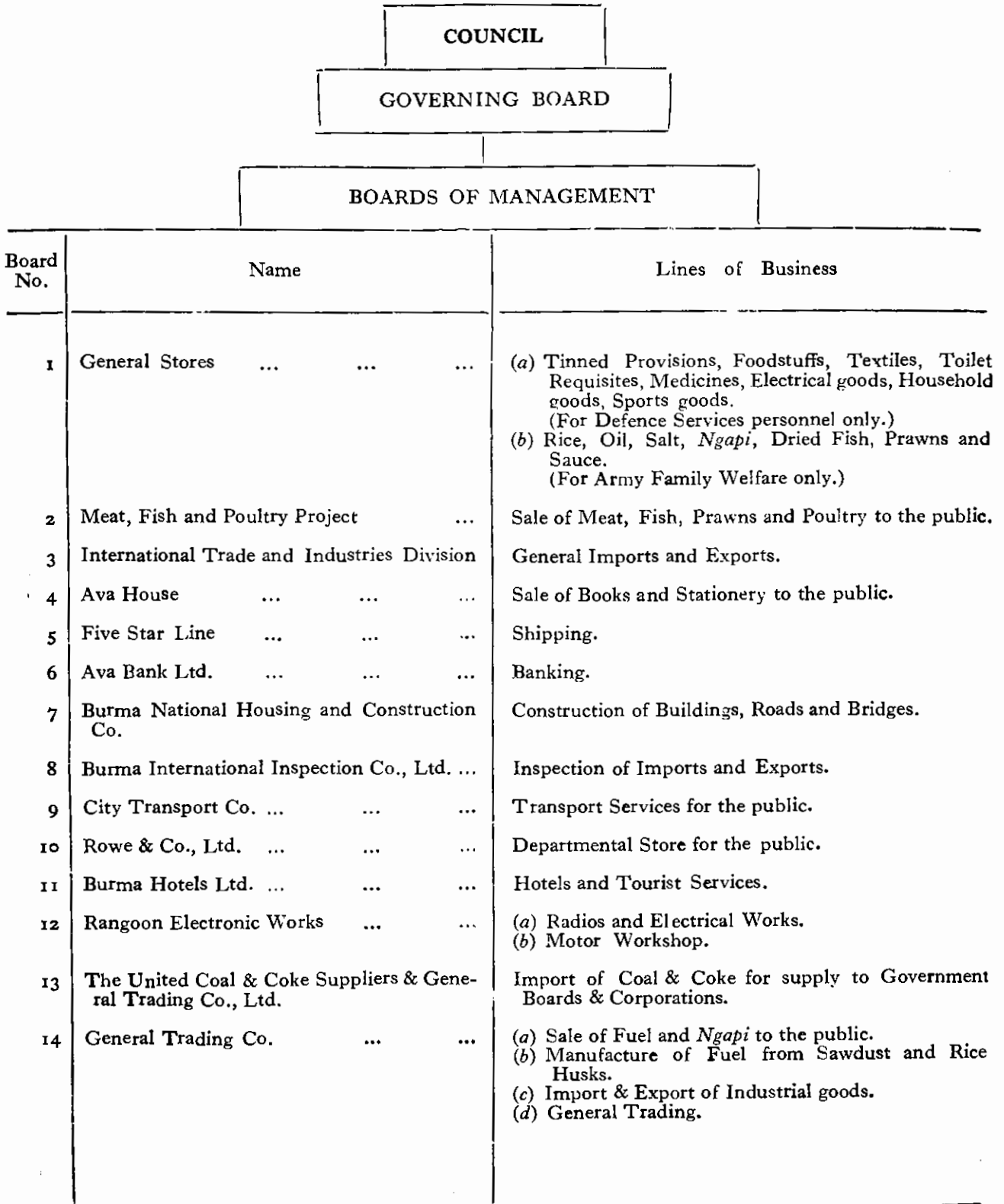
The wholesale shops were opened at Mandalay for the Northern Command; at Setsan, Rangoon, for the Southern Command; and at Shwenyaung for the Southern Shan State Command. With a capital of K 5,00,000 these wholesale shops were established without intention of profit and even at a loss of operational costs.

For the establishment of Family Welfare Retail Shops the Government contributed a total of K 7,00,000; each unit receiving from K 2,000 to K 5,000 according to its strength. These shops retail foodstuffs such as rice, cooking oil and salt on credit basis so that freed from anxiety about the welfare of their families left behind, members of the forces at the front would be able to perform their duty fully.

On December 26, 1959, the DSI handed over the various branches to the Commands and the Brigades. The DSI Department Store at Rangoon will

CHART I

DEFENCE SERVICES INSTITUTE ORGANIZATION CHART



supply imported goods wholesale to these branches but will continue to retail goods to the members of the armed forces stationed in and around Rangoon.

The Annual turnover of the DSI Department Store is about K 50,00,000. The Store receives from the Government import licences to the value of K 30,00,000 each year and buys also some commodities from domestic producers and sellers.

In seven years the staff of the DSI Department Store has grown from one officer and ten assistants, at its opening, to a total of over 250 employees at present.

Service Rules and Provident Fund Rules for the employees have also been drawn up and registered.

Between 1952 and 1958 the DSI Department Store has been able to contribute over K 2,00,000 to the Army Welfare

Fund and in 1959 it turned over completely to the Commands and the Brigades branches worth over K 12,00,000.

To further the welfare of the members of the armed forces the Government has refunded to the DSI all dues on imported goods such as customs duties, sales-tax, and port charges.

The dues refunded have been used to defray transport costs so that it is possible to sell goods in district branches at the same price as in Rangoon.

Thanks to the assistance and encouragement of the Government, the DSI Department Store has been able to serve the welfare of the members of the armed forces.

Assurance is given here that the Store will strive its utmost to continue to do so.



DSI Fishery Project

(4) *Defence Services Institute Fishery Project.*—The Fishery Project was instituted to fulfil a need for developing an important industry in the Union of Burma.

It began with sea fisheries only leaving alone fresh-water ones. As the Project settled down to its task it had to take over fresh-water fisheries also.

Earlier, private fish mongers and brokers on the one hand and the fish co-operatives on the other hand had been charged with bringing down fish prices by opening rival markets which were to compete with each other. It became obvious that this arrangement was unsatisfactory as it failed to lower fish prices or to improve the lot of the poor fishermen.

The Fishery Project took over with three objectives—

- (a) to help the consumer,
- (b) to give a fair price to the fishermen, and
- (c) to improve their status.

Its efforts at lowering the price of fish as an emergency measure were successful.

The Fishery Project put an end to the old ways of business. It opened wholesale buying depots in the districts, paid cash for its purchases, and distributed fish and prawn through the Rangoon Central Wholesale Market at Government-controlled prices.

Not only did the Project aid the fishermen by selling them rope, cane, twine for nets, and other equipment necessary for fishing at wholesale prices but it also made possible the operation of a fishery for three years instead of one, a change vital for the economic operation of the fishery.

The Project also made loans bearing interest at 6 per cent per annum to enable the fishermen to meet Government revenue and other expenses. The Fishery Project also helped reorganize private trader's associations and fish co-operatives on a

systematic basis and allowed them to compete in the buying of fish.

The Fishery Project bought fishing boats and equipment from Japan for developing its sea fishing operations. It also obtained the services of experienced Japanese fishermen. This year, the Project formed a joint venture with the Singapore Fishing Company and operated in Burmese territorial waters 14 fishing boats manned by Chinese crews. It organized "hilsa" fishing schooners into a corporation.

In Rangoon, the Project succeeded in the distribution and price control of fish according to Government-regulated prices. Further, the Project sponsored a drive for raising chicken, ducks and pigs to make them available in times of scarcity by giving financial and other assistance to breeders. The Project itself reared some poultry and pigs.

In order to make good use of surplus fish and prawns the Project opened a *ngapi* and dried fish department. It also imported dried prawns from abroad and sold them at controlled prices.

(a) *Future Programme.*—

- (1) To build a 460-ton capacity cold store for year-round storage of meat, poultry, fish, fruit and vegetables.
- (2) To build a nylon-net factory for weaving fish nets essential to fishermen.
- (3) To open a store for fishing gear and accessories for fishing boats.
- (4) To build a fish meal factory for utilizing surplus fish to feed animals and to be used as fertilizer.
- (5) To expand sea fishing by receiving technical assistance from Norway.



Sales conducted under the DSI Fishery Project

As stated above, the first fruit of the Fishing Project is the welfare of the fishermen because of the elimination of unscrupulous traders from the industry. The second fruit is the supply of fish to the consumer in sufficient quantities to lower prices.

Because of these achievements the Fishing Project has won public recognition as an economic gain, and thus contributed to the cause of peace within the country.

The Burmese people are expert in inland fishing but are not interested in sea fishing. But encouraged by the Fishing Project's efforts to promote sea fishing Burmese young men are now learning new skills.

One result of their endeavour is that Burmese sea fish is now being sold in the foreign Singapore market.

Market and Fish Production for the year 1958-1959

<i>Items.</i>	<i>Quantity (Viss).</i>	<i>Nos.</i>
1. Fish and Prawns ...	66,85,545	...
2. Chicken ...	7,80,118	...
3. Duck ...	...	344,803
4. Pig ...	...	62,297
5. Beef ...	...	31,749
6. Mutton ...	...	155,006

Sea Fish Production in 1959

1. Export ...	169'4 tons.
2. Local Consumption ...	186'0 "
Total ...	355'4 "

Total (Inn) used in 1958-59

<i>Districts.</i>	<i>No. of (inns).</i>
1. Maubin ...	284
2. Myaungmya ...	36
3. Pyapon ...	73
4. Insein ...	72
5. Hanthawaddy ...	13
6. Bassein ...	1
Total ...	479

Dried Fish and Prawn sales in 1959

1. Local dried fish ...	112,610'45	Viss.
2. Imported dried fish ...	1,099,207'73	"
3. Local produced dried fish.	117,021'74	"
4. Imported dried prawns	330,372'87	"

Comparative Prices of Fish

Description.	DSI		Other	
	Prices		Prices	
	Per Viss.		Per Viss.	
	K		K	
1. Ngathalauk ...	3'50		9'50	
2. Ngamyinyin ...	4'50		10'00	
3. Ngagyin ...	4'00		8'50	
4. Kathaboung ...	3'50		7'75	
5. Kakadit ...	3'00		8'00	
6. Ngaoakpha ...	3'00		7'25	
7. Ngadan ...	3'50		6'50	
8. Nganuthan ...	3'00		6'50	
9. Kathamyin ...	2'50		5'50	
10. Ngakaungpnagyi ...	2'00		6'25	
11. Ngappat ...	3'00		6'00	
12. Ngachaung ...	2'50		5'00	
13. Ngapegyi ...	3'00		6'00	
14. Ngamwetoe ...	3'00		5'00	
15. Nganet ...	2'00		4'50	
16. Ngagyinlat ...	3'00		7'50	
17. Prawns ...	3'50		6'00	
18. Ngapyema ...	2'50		4'25	
19. Ngaponna ...	4'00		6'50	

(5) *International Trade and Industries Division.*—The DSI established the International Trade and Industries Division to create healthy competition in Government tenders by procuring the right type of goods from the right sources at the right prices; to bring down the inordinately high prices of various imported commodities for the relief and welfare of the people; and to establish a sound export trade section to earn foreign exchange for the country.

For the past two years the DSI has been participating in Government tenders. The DSI field of supply has ranged from office pins to ocean-going vessels. The DSI has built up business relations with a large number of overseas exporters and manufacturers and as a proper business firm has never ceased to get new contacts and more reliable sources of supply.



Mazda 3-wheeler and 4-wheeler automobiles brought into the country by the DSI

As trade representatives, the DSI has safeguarded the legitimate interests of its foreign principals. It has worked hard to expedite decision on tenders, inspection, payment, release of security deposits, etc., and to clear any misunderstanding between the foreign supplier and the Government department concerned. However, though the DSI has been enthusiastic and zealous in its effort to assist its foreign principals, it has never tried to uphold unduly their claims and views if they are found illegal, unreasonable and detrimental to the legitimate interest of the country.

The policy of the Government is to bring down the inordinately high prices of various commodities for the relief and welfare of the people. The DSI has not only appreciated this sound policy of the Government, but has also extended its whole-hearted co-operation to fulfil the policy. The DSI has imported one-ton motor vehicles which are now running as public conveyances on Rangoon's new bus routes. True to its policy of serving the people selflessly, the DSI has distributed these vehicles at landed cost adding the barest minimum overhead expenses.

A number of tri-wheelers have also been imported by the DSI and it takes pride in having introduced these vehicles as low-fare taxis for the convenience of the Rangoon public.

For increasing transport facilities at Mandalay and other towns a considerable number of Mazda tri-mobiles will be imported.

It is common knowledge that because of the great demand the prices of motor vehicles have gone up very high. However, the DSI has distributed the tri-wheelers and trucks at a low margin of profit.

The DSI has also realized its responsibility to establish a sound export trade section to earn foreign exchange for the country. To foster the

export drive, so essential for the economy of the country, the DSI has been constantly making contacts with foreign buyers of Burmese products. Its officers have been and are still making extensive foreign tours to secure new markets. This has not proved to be easy because of the deep-rooted vested interest of foreigners in the overseas markets.

Burmese importers have tended to look to easy money and have shown little enthusiasm for building solid foundations for their business. The DSI has no desire to make profit a primary goal and has always kept in view the motto of giving the maximum service to the people. Evidence of this intention is the import of the tri-wheelers and the one-ton trucks. These vehicles have proved their utility by easing the transport problem for the people of Rangoon. Moreover, the city's streets



Ava Book House

now present a much more orderly spectacle, and the undesirable congestion on the main streets have been eased.

A large number of leading importers of Burmese products in various countries have come to realize that the DSI is the only organization which operates at the lowest possible margin of profit and looks genuinely to the interests of the local producers as well as to that of the foreign buyers. Because of this consciousness and its own untiring efforts the DSI confidently looks forward to the not-too-far-off day when it will establish a thriving export business for all kinds of Burmese products.

(6) *Ava Book House*.—When it was discovered that the DSI has given much relief to the members of the armed forces, the “Pyinnya Letyone Book House” was established jointly with the DSI in 1954 to import from abroad text-books and other books. During the process, the Board of Management of the DSI saw the necessity of combating the extraordinary high prices of stationery and the book house was requested to extend its activities to fulfil this need.

Therefore, the new stationery shop was established under the Burma Companies Act on 1st October 1956 at 232, Sule Pagoda Road. It was named Ava House in memory of the Ava period, distinguished in Burmese history for its great literature.

Students can now buy from this book and stationery shop text-books and stationery at low prices. Foreign-owned establishments have had to match the prices set by the Ava House and thus students all over Burma have profited as a result.

The Ava House deals not only in text-books but also in books which will be of benefit to the country such as those on engineering, medicine, agriculture, animal and poultry farming and military science. It also imports in large quantities, pencils, erasers, fountain pens, copy books and other

materials which students always need. The prices are set very low ; for example, a fountain pen worth K 18 in the market is sold at Ava House for K 6·80 only.

There are many other objects which the Ava House has in mind but not all have been implemented. There is a need for printing within the country text-books in English and in Burmese, for producing copy books and manufacturing pencils, erasers, etc. Although pencils and erasers appear yet trivial because they are essential items demanded constantly by the student population, trade in these commodities is big business and constitutes a big drain on our foreign exchange.

The Ava House has worthy intentions to stop this drain. It hopes that with the support of the people it will soon be able to make progress in its efforts in this line.

As the Ava House was opened not to make huge profits but to serve the welfare of the people, including members of the armed forces and the students, it has won the patronage of the people. However, financially speaking, it has not made much gain.

Formerly, the Burmese have not had a chance to study the book and stationery business which has been solely in the hands of foreigners. Now Burmese traders including the Ava House have established firm foothold in the business and it is possible to spread knowledge of this field of business among the Burmese people and to give them practical experience and new skills. Books are read mostly by educated people and the Ava House staff has won a measure of success in dealing satisfactorily with its customers.

(7) *The Burma Five Star Line*.—Although the Republic of the Union of Burma is within its thirteenth year of Independence, foreign capitalist firms have controlled at will the sea transportation service vital for easy and efficient transport of raw materials and imported goods.



The Burma Five Star Line

The result is that raw materials have missed good prices because of failure to make timely shipment; goods urgently needed to relieve a shortage have failed to arrive in time; commodities and equipment and machinery vital for implementation of economic, health and social welfare schemes have failed to be shipped in time; and much foreign exchange has been spent on shipping charges for importing and exporting commodities.

As the above-mentioned losses are an important obstacle in the progress of the Union, the DSI established the Burma Five Star Line, an unprecedented enterprise in Burma's history, with a capital of K 12,00,000 in January 1959. The Burma Five Star Line may thus be considered as taking part, in large measure, in the economic offensive begun by the Bogyoke Government.

Through the efforts of the Board of Management, the Burma Five Star Line began operating in March 1959 with the firm establishment of a cargo service between Japan and Burma. The two chartered vessels, S.S. Norbister and S.S. Michael Jebsen, were able to make a round trip to Japan once a month.

Soon, the Burma Five Star Line won membership in the Bay of Bengal-Japan Conference Line and extended its services with the chartering of three more ocean-going vessels. The Burma Five Star Line has rendered effective service and it has received the goodwill of all trading circles.

Due to the efforts of the Board of Management the Burma Five Star Line has been admitted to the UK-Continent Conference in December 1959, and a Burma-Europe cargo service was inaugurated on December 31, 1959 with the

departure of the 10,000 ton S.S. Martinoli for UK and Europe on its maiden voyage, and the subsequent sailing of the S.S. Nurmahal on January 15, 1960.

In the period under report, Burma Five Star Line vessels have made 14 voyages on the Japan-Burma run and three on the Europe-Burma service, with a total cargo carriage of 119,097 tons and a freight earning of K 7,44,53,365.

Plans are being made to expand the shipping service and within a short period the Burma Five Star Line ships will be calling on East African ports. For the moment the Burma Five Star Line is employing chartered ships, but it plans to construct its own ships and expand its services gradually.

Prior to the establishment of the Burma Five Star Line shipping charges for all cargo loaded at foreign ports were paid in foreign currency, either in dollars or in sterling. For cargo shipped from Rangoon, although the charges were paid in kyats the Government has had to provide for conversion of the shipping charges into foreign currency. Thus, for all imports and exports, shipping charges have had to be paid entirely in foreign exchange.

With the establishment of the Burma Five Star Line a two-fold advantage has been achieved in that not only foreign exchange is conserved for shipping, but it is being earned.

The above-mentioned achievements are only material ones. However, there are others, not material, but nonetheless important. For instance, there are the advantages arising from the timely import of raw materials to feed our domestic industry; or from the better relations between friendly countries resulting from the timely shipping of required imports from Burma; or from the relief of the consumer by the timely import of consumer goods and their distribution.

These are the inestimable benefits from the establishment of the Burma Five Star Line. Besides, Burmese youth have been able to gain experience and training in a profession new to them, and thus this will eventually benefit the country.

Thus, the foregoing statement has shown that although the contribution of the Burma Five Star Line may seem small among the many shipping achievements of the Government, it has made a significant contribution in the economic offensive.

Tonnage Carried and Freight Revenue

<i>Name of Vessels.</i>	<i>Total Tonnage.</i>	<i>Freight in Kyats.</i>
1. Norbistor ...	19,150	9,53,350
2. Americana ...	16,626	8,39,087
3. Michael Jebson ...	35,952	20,54,014
4. Araiana ...	26,106	19,28,936
5. Inchstuart ...	6,877	4,55,476
6. Maria Angela Martinoli ...	6,840	5,99,825
7. Nurmahal ...	7,546	7,14,732
Total ...	119,097	75,45,420

(8) *Ava Bank.*—The prosperity of a country's economic activity depends on that of its banking institutions. Formerly in Burma, there has not been any significant Burmese-owned banks. As a result Burmese business has failed to compete with foreigners and have been overshadowed by them. Burmese business has failed to find a place in the sun due to its dependence on the big foreign merchant, and foreign-owned banks. Not only Burmese traders but also Burmese landowners have descended to the level of tenant farmers because they had to deal with the Chettiyars in the absence of Burmese-owned banks.

The entire Burmese people realized that the sorry state of pre-war Burmese business was due to the lack of Burmese-owned commercial banks, and, in response to the desire of the Burmese people and the Government within a short time after Independence the State Commercial Bank was opened in 1954.

At the same time the Burmese-owned People's Bank and Economic Bank appeared. At present there are 24 banking institutions in Burma, most of which are still owned by foreigners. More Burmese banks are desirable for the benefit of the country, and therefore the DSI founded on March 10, 1959, under the Burma Companies Act, the Ava Bank at 528, Merchant Street, Rangoon, under the management of five experienced individuals. The aims of the Ava Bank are :

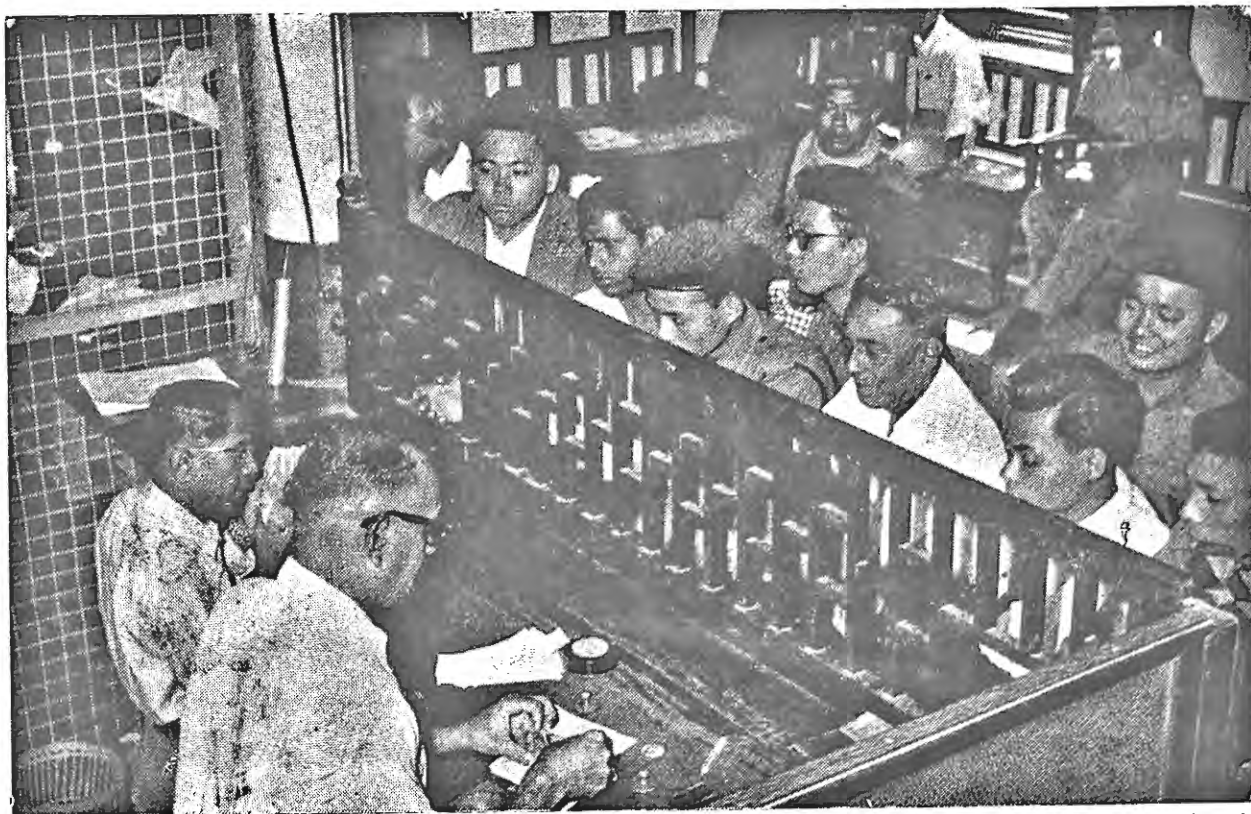
- (a) To eliminate completely the grievances of the Commercial people of Burmese nationality.
- (b) To develop the country's economy and promote its welfare.
- (c) To back Burmese traders and businessmen by issue of short-term loans at low interest rates. To facilitate loans to Burmese business men for the expansion of their activities and the increase

of production so that they may compete with foreign traders.

- (d) To make loans to Burmese traders so that they may compete with foreigners, resulting in the lowering of prices and thus relieving the people.

The current activities of the Ava Bank are:

- (1) Current Accounts: Officers of the armed forces may open current accounts for a minimum of K 10; and the public may open current accounts for a minimum of K 300. When the bank was opened, there were 1,520 current accounts; this has now risen to 2,335.
- (2) Fixed Deposits for Deposits withdrawable at 2 per cent interest per annum for one year deposits and at $2\frac{1}{2}$ per cent interest per annum for longer periods.



Ava Bank

Growth of Ava Bank

At opening on April 1, 1959. On December 31, 1959.

Current Accounts.			Accounts.	Value.	Accounts.	Value.
			K	K	K	K
Fixed Deposits	...	...	{ 1,520.00	43 lakhs	2,434.00	1,23 lakhs
			{ 85	5 "	145	26 "
Loans and withdrawals from Banks	...	...	...	2 "	...	87 "
Investments	...	...	...	...	...	30 "
Bills receivable and guarantees	...	...	...	...	...	8 "
Advances	...	...	...	...	...	20 "

AVA BANK LIMITED

Comparative Statement showing Current A/Cs, Fixed Deposit A/Cs, etc.

Description	April 1, 1959		December 31, 1959	
	No. of Accounts	Amount	No. of Accounts	Amount
		K Lakhs		K Lakhs
Current Accounts ...	1,520	43	2,434	1,23
Fixed Deposits ...	85	5	145	26
Loans and Overdrafts ...	...	2	...	87
Investments, Acceptances, Endorsements.	...	...	...	30
Guarantees ...	...	...	...	8
Letter of Credit opened ...	...	...	...	20

- (3) Buying and selling foreign currencies.
- (4) Opening of Letters of Credit.
- (5) Issue of travellers cheques.
- (6) Issue of Loans on imports and exports.
- (7) Issue of loans on immoveable property (*i.e.* immoveable property such as houses are accepted as security and loans are made at 7 per cent interest to traders, registered companies and contractors).
- (8) Issue of loans without security at 6 per cent interest to officers of the armed forces for their relief and welfare.

- (9) Issue of loans to rice millers at 7 per cent interest on furnishing their mills as security for the expansion of the rice industry.

Though the Ava Bank is only nine months old, yet because of its dedication to the good of the public it has overcome many difficulties and has won public support.

The Ava Bank has prospered because of the low bank charges and commissions and its efforts to give good service so that every branch of its activity has prospered and the members of the staff has grown to 25.

It has the benefit of foreign export advice on the management level and it has been able to compete with other commercial banks.

Both foreign and domestic members of the staff have been appointed after careful scrutiny.

Due to lack of experienced personnel in banking, educated young men have been appointed and trained in various branches of the bank so that they may accept responsible positions in the expanded activities of various branches planned for the future.

The public has become aware of the soundness of the Ava Bank in the various branches of its banking operations and the role it plays in promoting the commerce of the country, so that they have requested for branches in the districts.

The Ava Bank will endeavour to serve the interest of the public and contribute to the progress of the young and retarded economy of Burma.

(9) *The Burma National Housing and Construction Co., Ltd.*—Burma is among the many countries which suffered greatly from the Second World War. In rehabilitating Burma it is necessary to build residences, roads, railways, bridges, airfields, ports, and factories, as well as to develop ancillary works such as quarries and brick and tile factories.

In these activities, Burma had to depend primarily on foreign companies. These foreign firms remit their earnings abroad and thus cause a drain on the country's foreign exchange. To stop this drain and to encourage the appearance of Burmans experienced in modern construction the DSI formed a joint venture with Solel-Boneh Company of Israel and established the Burma National Housing and Construction Co., Ltd., in 1958.

This company competes with other construction companies in bidding for

tenders. Although operations has begun, this company has not had the chance to proceed on major construction works because of the country's financial position. As the country's financial position improves and major civil engineering works and constructions are required this company will be able to contribute to the prosperity and progress of the country and train effectively Burmese nationals to become expert in the construction field.

(10) *The Burma International Inspection Co., Ltd.*—In foreign trade it is natural for buyers or importers to desire from the seller or exporter products correct in quality and weight. To ensure that the goods bought are of the right quality and according to specifications, inspection companies which have earned public confidence are given the responsibility of inspecting the goods. Such work has been done for many years in foreign countries.

Formerly, Burma never had a Burmese-owned company doing inspection work. Therefore, Burmese companies, co-operatives, joint venture corporations and government organizations which have entered the commercial world have to depend on foreign inspection companies paying for their services in foreign exchange.

Therefore, every year, much foreign exchange has been spent for inspection services. In order to save foreign exchange and safeguard the interests of the Government and Burmese traders the Board of Management of the DSI founded an inspection company in 1957.

INTECO is an American company famous internationally for its inspection work on behalf of companies and purchasing organizations. It opened a branch in Burma in 1952. The company has inspected on behalf of Burmese firms and Government departments, goods imported from abroad and has also inspected Burmese

exports to foreign countries. Thus INTECO has had long experience in Burma and has won recognition as a trustworthy firm.

With the belief that a joint venture with INTECO will gain for it valuable experience, the DSI has formed a joint venture with INTECO, Burma Branch, and established the BURMINTECO.

BURMINTECO has accomplished the following:

- (a) It has inspected all exports from Burma and issued the required certificates of inspection to foreign buyers.
- (b) In 1959, it inspected 100,000 tons of rice bought by Pakistan and Okinawa. It has also inspected molasses, beans and miscellaneous raw materials exported from Burma.

- (c) As the representative of the various Government departments and joint venture corporations it has inspected before shipment all kinds of goods imported from foreign countries.

- (e) As the sole representative of the Union Insurance Board it has inspected the condition of goods arriving in Rangoon from abroad and issued certificates of damage. It has also inspected damaged goods bearing insurance and claims for fire insurance.

The DSI has thus initiated an enterprise not known to the Burmese and has made it into a dependable firm for Burmese traders and the Government. It has been able to conduct on a wide basis an undertaking important to the commercial and trading world.



Inspection work being carried out by BURMINTECO

The company has earned commissions for inspection and because of the DSI, has also earned foreign exchange.

(11) *The City Transport Company.*—The City Transport Company was founded with the objects of reforming the indisciplined motor transport system of Rangoon, by providing an ideal model; facilitating travel within a framework of discipline; of providing low cost transportation; and providing transport to the new town of South Okkalapa so that it may flourish.

In May 1959 the City Transport Company inaugurated its new service with 25 Hino buses plying between Okkalapa and Theingyi-Zay (Rangoon). It was registered under the Burma Companies Act on July 17, 1959.

The City Transport Company, operated 20 out of the 25 Hino buses and in the last eight months carried 26,800,604 passengers, charging at the rate of 4 pyas per mile. It has been able to instil some discipline in the passengers. It has been successful

in prohibiting them from standing up or hanging from the door and overloading the buses, and has made travelling by bus much safer.

According to estimates in 1952-53, about 278,000 people ride buses. The number of passengers using the City Transport Company vehicles is 30,000 daily, or about 10.79% of bus travellers in Rangoon with 10 new buses already purchased and to be operated on the line. About 12,000 more passengers will use the company facilities.

The company has constantly worked for discipline among its employees and for better relations with passengers. It has also insisted on the employee's honesty and duty consciousness and has given instructions daily and held classes to achieve these ends.

The character of the employees and their discipline form the backbone of the success of a motor transport industry and this character of the employees have improved because of the company's strict discipline and instruction.



Comfort and orderliness of the bus transport facilities of the DSI

Employees of other motor transport organizations suffer from poor wages and hours, and the lack of holidays and other privileges so that their morale has been low, affecting their character and discipline. The City Transport Company has boosted the morale of its employees by increasing their wages, fixing their hours of work, holidays, and other working conditions, according to law, looking after their welfare generally, and contributing to the Social Security Scheme.

(12) *Rowe & Co., Ltd.*—On September 30, 1959, the DSI Board of Management bought all the shares of the 94-year old Rowe & Co., Ltd., with 62 branches.

The DSI did not purchase the foreign-founded Rowe & Co. Department Store with just the motive of making it Burmese-owned. In independent countries and in East Asian countries both before and after the war the provision of quality consumer goods at proper prices in department stores is an important business. It has been the

aim of the DSI to open such a store from the beginning so as to make it into a shining example and this has never been lost sight of. Because of the insurrection all branches of Rowe's have been closed, except in Moulmein, and the business of the department store has declined greatly. As it has not been possible for private individuals to buy the company and give it a new life, the DSI has stepped in and bought it with a view to serving the consumer through this important department store.

Soon after its purchase, an application was made to the Government for import of foreign consumer goods to be distributed all over the country and an import licence to the value of K 30,00,000 was received. This licence has been used to import essential goods of superior quality.

Quality brand name consumer goods are scarce and are high-priced and the company is making efforts to lower the price of consumer goods for equitable distribution.

CITY TRANSPORT COMPANY

Daily Operations

Description	Number of vehicles run	Number of Passengers	Completed trips	Mileage
Based on 25 buses ...	22'5	27,617	251	4,264
Based on 35 buses (estimates).	31'5	37,221	351	5,963

With the purchase of Rowe & Co., the Motor House Co., has also come into the possession of the DSI, which is planning to import foreign motor vehicles and spare parts.

Since the purchase of Rowe & Co., sales have risen 50 per cent more than before.

All employees of Rowe & Co. have been retained. Today, Rowe's plans are to recruit educated young men and women who have a desire to study salesmanship, and practical classes will be opened for them.

It also plans to reopen the previous branches all over Burma and distribute not only foreign goods but also Burmese products. Rowe & Co. will contribute to the relief and welfare of the people with its department store and invites the people's patronage.

(13) *Burma Hotels Limited.*—Foreign tourists and guests desire to come to Burma, a country rich in natural beauty and scenic places. But, there has been no tourist

industry to meet the need for hotel accommodation and guide service. The present circumstances require a tourist industry and with a view to earning foreign exchange and creating employment for Burmese nationals, the Board of Management of the DSI formed the Burma Hotels Ltd. in 1959. Its aims are to open modern hotels and inaugurate a tourist industry.

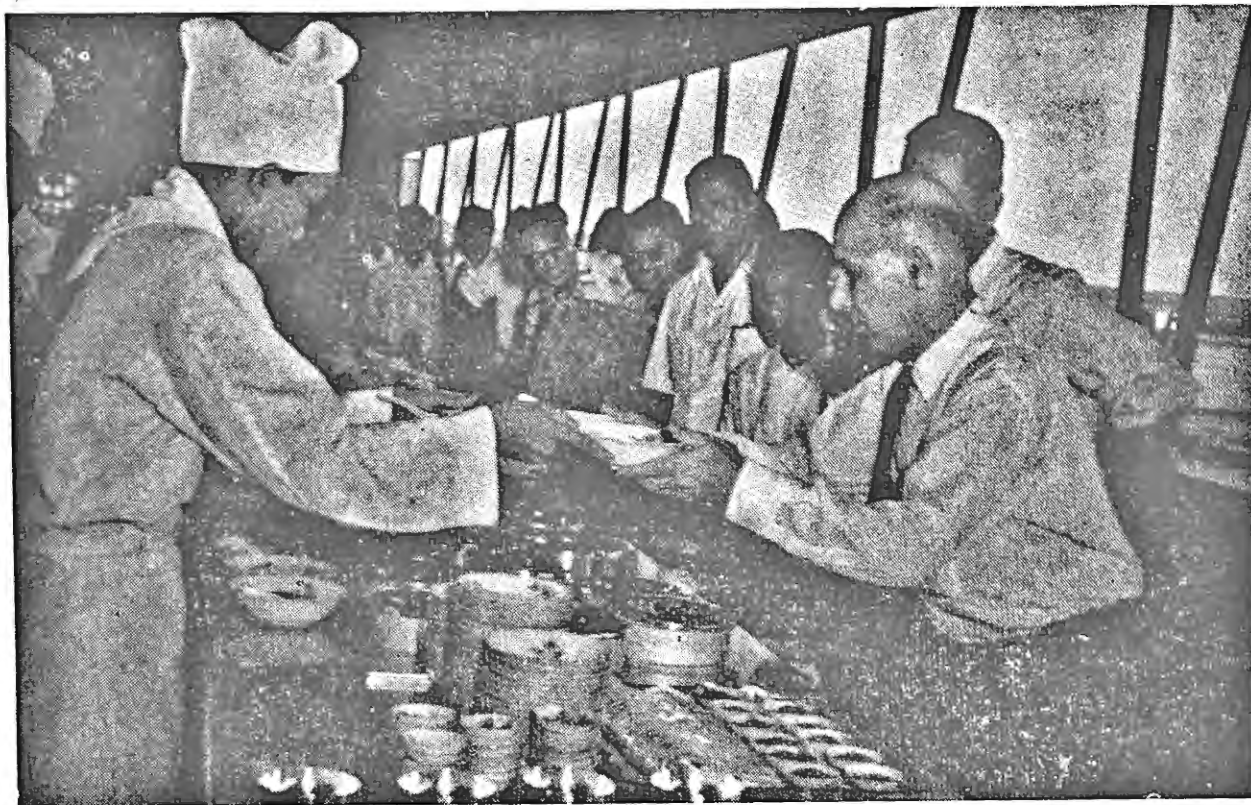
In co-operation with the Strand Hotels Ltd., experienced in hotel management, the DSI has opened a modern restaurant in Mingaladon airport to cater to international and domestic airline passengers and residents of Rangoon seeking recreation.

A self-service cafeteria offering good food at low prices have been opened at the Airport Open Deck for all classes of people. Arrangements are also being made to open such cafeterias in other towns and in public places in Rangoon.

Burma Hotels Ltd. plans to establish modern hotels at Mandalay, Myitkyina,



Rowe & Co. under the DSI



Cafeteria facilities at Mingaladon airport provided by Burma Hotels Ltd.

Inle (Nyaungshwe), Pagan and Amherst, and other towns which will be developed into tourist centres for international tourists, students of history and pilgrims.

The Burma Hotels Ltd. will provide opportunity for educated young men to study and make a career of the hotel industry.

Sale of the products of Burmese arts and crafts will be boosted through increased visits of foreign tourists.

The DSI will endeavour to raise the hotel and tourist industries to world level.

(14) *Rangoon Electronic Works*.—In the past the Ministry of Defence had depended on workshop matters and motor spare parts and accessories from shops operated by civilians. It has therefore been difficult for the Defence Forces to perform its duties adequately. The DSI was requested to solve the problem.

Brigades, battalions, companies and front line troops had to pay high prices for radios which were not available in sufficient

quantities. The DSI authorized the Board of Management to found the Rangoon Electronic Works to tackle the two problems at the same time.

The Rangoon Electronic Works opened a motor workshop at 15th mile in Mingaladon. The workshop repairs military vehicles and assembles them systematically so that military vehicles may be repaired now in the required period. Thus, it is possible now to use the vehicles for a longer period than before. It is planned to make the services of the workshop available to Government and private motor vehicles.

The workshop has also assembled Mazda, Daihatsu and Hanbi tri-wheelers and Mazda one-ton trucks and distributed them to the people, thus contributing to the transport service for the relief and welfare of the people.

The Rangoon Electronic Works has opened a radio assembly works at 248, Upper Pazundaung. The radio assembly works plans to assemble radio parts ordered from

abroad and sell the finished products to members of the Armed Forces at low prices. It plans also to assemble radios operated on dry cells so that they may be used in villages where no electricity is available. These radios are to be sold by the Government to Solidarity Associations.

The Rangoon Electronic Works has been able to prevent undue loss and damage through systematic repair of military vehicles. It has also been able to sell to the people radios at low prices and thus has been beneficial to the people.

Further, it has trained radio enthusiasts in assembling techniques. The Rangoon Electronic Works plans in the future to make available electric bulbs and other electrical and mechanical appliances.

(15) *The United Coal and Coke Suppliers and General Trading Company.*—The annual import of coal for use in the Burma Railways, Inland Water Transport Board, Rangoon Electric Supply Board and other Government bodies is 300,000 tons.

Thus each year Burma had to spend over K 2,00,000 in foreign exchange for the landed cost of coal. The Government discovered the Kalewa coal fields in its efforts to save foreign exchange by prospecting for coal suitable for use in the country.

However, upon production it was found that Kalewa coal was not usable and Burma's requirements were imported as before. A Jewish firm called Heilgers & Co. (Burma), Ltd., operating both before and after the war has the monopoly of coal imports from India for sale to the Government of Burma.

It was only about 1954 that the Burma Coal Company began a contracting business for coal to be sold at lower prices than the foreign company. However, the Burmese company was only a commission agent for an Indian coal company from India and had to buy at rates fixed by that firm for coal and transport.



The radio workshop of the Rangoon Electronic Works of the DSI

It was found also that when the coal arrived in Rangoon port it was handled in an antiquated manner, the coolies carrying the coal in baskets on their head, a slow, unhealthy and expensive way of transportation.

After the formation of the Bogyoke Government, the DSI sought ways and means of lowering prices, earning more foreign exchange, and using economically the foreign exchange earned; and discovered the possibilities of coal trade. On the other hand, it also discovered that the coal trade was most appropriate for operation in conjunction with the Burma Five Star Line, which had been founded successfully amidst great difficulty in competition with other lines.

With this realization, a study of the possibility of coal trade was made and it was found that high quality coal suitable for Burmese use was available in South Africa at a low price. The Burma Five Star Line undertook to carry the coal.

Therefore, with the following objects in view the DSI founded the United Coal and Coke Suppliers and General Trading Co. in January 1960 :

- (1) To supply the Government of Burma with good quality coal at competitive world prices.
- (2) To use only Burmese vessels to carry the coal.
- (3) To save foreign exchange in reduced rates for coal and in payment made to the Burmese-owned shipping line in kyats for freight charges.
- (4) To save time and costs by gradually utilizing modern machinery in the handling of coal.
- (5) To raise the status of coal handling labourers.
- (6) To reduce the consumption of coal by introducing the systematic use of coal.

The Company was founded with 60 per cent DSI capital paid in kyats and 40 per cent foreign capital in dollars.

This year the DSI won the contract for supplying coal to the Union of Burma Purchase Board offering the lowest prices among tenders called on January 14, and opened on January 19, 1960.

The lowest-bidding DSI offer and that of the second lowest bidder, the Burma Coal Company which had the contract last year, are shown below for comparison:—

		Steam Coal per ton.	Slack Coal per ton.	Hard Coal per ton.
		K	K	K
DSI price	... f.o.b.	30'67	30'67	66'00
	c.i.f.	64'08	64'08	99'41
Burma Coal Co. price	f.o.b.	47'50	47'00	70'00
	c.i.f.	82'69	82'15	119'00
Difference in price	... f.o.b.	16'33	16'33	4'00
	c.i.f.	18'61	18'07	19'94

By entering the coal trade, the DSI saved the Government K 46,81,080, at f.o.b. prices and K 54,56,400, at c.i.f. prices.

The Company plans to carry the coal according to schedule on Burma Five Star Line vessels.

(16) *General Trading Company, Limited, Firewood-Ngapi Project.*—Firewood and *ngapi* are commodities required by the people every day as essentials for their living.

After the war, because of all kinds of insurgent activity the population in Rangoon and suburbs rose to nearly 1,000,000. But the supply of firewood and *ngapi* did not rise in sufficient quantity for the increased population.

The public had to buy firewood at prices which varied seasonally and according to supply and demand, at prices ranging from K 38 to K 40 per thousand sticks. At times, when the supply of firewood failed the public experienced great difficulty. Salary and wage earners, poor people and

labourers who form 95 per cent of the population of Rangoon had to pay high prices then and thus suffered much hardship.

Requested by the Bogyoke Government to solve this problem, the DSI instituted the Firewood-*Ngapi* Project. Upon seeking the basic causes of the high prices of firewood the following facts were discovered:

- (1) Capitalists from Rangoon and other towns financed firewood-forest brokers to employ woodcutters.
- (2) They controlled the supply and price of firewood according to market conditions.
- (3) They kept the woodcutters perpetually in their debt by selling consumer goods on credit to woodcutters at three or four times Rangoon prices.
- (4) They kept a firm grip on brokers and woodcutters by a "divide and rule" method.
- (5) Woodcutters had to pay exorbitant prices for medicines when they were afflicted by malaria, dysentery or other diseases.

Further, under the domination of the insurgents, the Government reserved forests had been exploited recklessly almost to extinction. Thus, the Government had lost considerable revenue. To prevent the extinction of forests and to increase the revenue, the following objects were laid down:

- (1) The relief of the consumer and the continuous supply of firewood.
- (2) The betterment of the lot of the woodcutters and transport workers who live by the firewood industry.
- (3) The upholding of Government's rule and regulations and the safeguarding of Government revenue.

- (4) The preservation and systematic exploitation of forests.

To pursue these objects, the Firewood-*Ngapi* Project Central Committee was organized in November 1958 with a capital of K 5,00,000 from the DSI.

The Firewood Project has not only sought the welfare of consumers, but also that of firewood labourers and allied transport workers.

Instead of leaving cargoless as before, firewood-forest-bound vessels now carry consumer goods, mechanical gear and instruments from the Civil Supplies, Joint Venture Corporations, Co-operatives and private merchants, bought at wholesale prices and for distribution at Rangoon prices.

In the forests, primary schools, and health stations have been opened. Clothing materials are sold at low prices for the relief of firewood workers.

The Defence Forces have cleared the firewood-forests of insurgents who have found shelter in them and who have enriched their coffers, and thus re-establishing the rule of law. This has made possible the collection of revenue and prevented the illegal exploitation of forests. The Defence Services have also initiated a long-term programme of conservation by extracting only mature trees, leaving young ones to grow.

It is now possible for round-the-clock travel on the waterways and without having to pay illegal tolls so that transportation charges have decreased, and there is no more danger of stoppage in supplies. Thus, it is now possible to hold the price of firewood to K 23 per thousand, house delivery; so the Bogyoke Government has succeeded in its firewood project.

Efforts are being made to substitute firewood with other types of fuel to meet



The DSI's Firewood Project

the needs of a growing population and the following arrangements have been made:

- (1) The distribution of wickless kerosene stoves which do not need air pressure and are easy to operate and safe. The stoves are to be sold to labourers at low cost.
- (2) Briquetting plants from Japan and Sweden have been ordered to press waste paddy husk and sawdust into fuel blocks. They will soon be put into test operation.
- (3) An Ogalight charcoal making plant has also been ordered from Japan to turn paddy husk and sawdust into a charcoal-like product.
- (4) The waste mentioned above will not only be turned into fuel but they will be made to yield kerosene, oil, acids and tar, as by-products.

Like firewood, "hmyin ngapi" and fish sauce are commodities which the poor in Burma cannot do without.

Previously, "hmyin ngapi" had a lot of impurities and its method of manufacture was unsightly. Although *ngapi* is a traditional food, full of nutrients, the lack of proper manufacture has made it a harmful product.

As in the case of firewood, because of the monopolistic domination of a group of profiteering merchants the manufacturers of *ngapi* had faced great hardship. Lured by thoughts of profit only, various dyes, bran, rice powder and other impurities have been added to low grade *ngapi*, making it an unsafe food. The following arrangements have been made to prevent price fluctuations in *ngapi*, according to season or location:

- (1) Education of *ngapi* manufacturers in production centres.

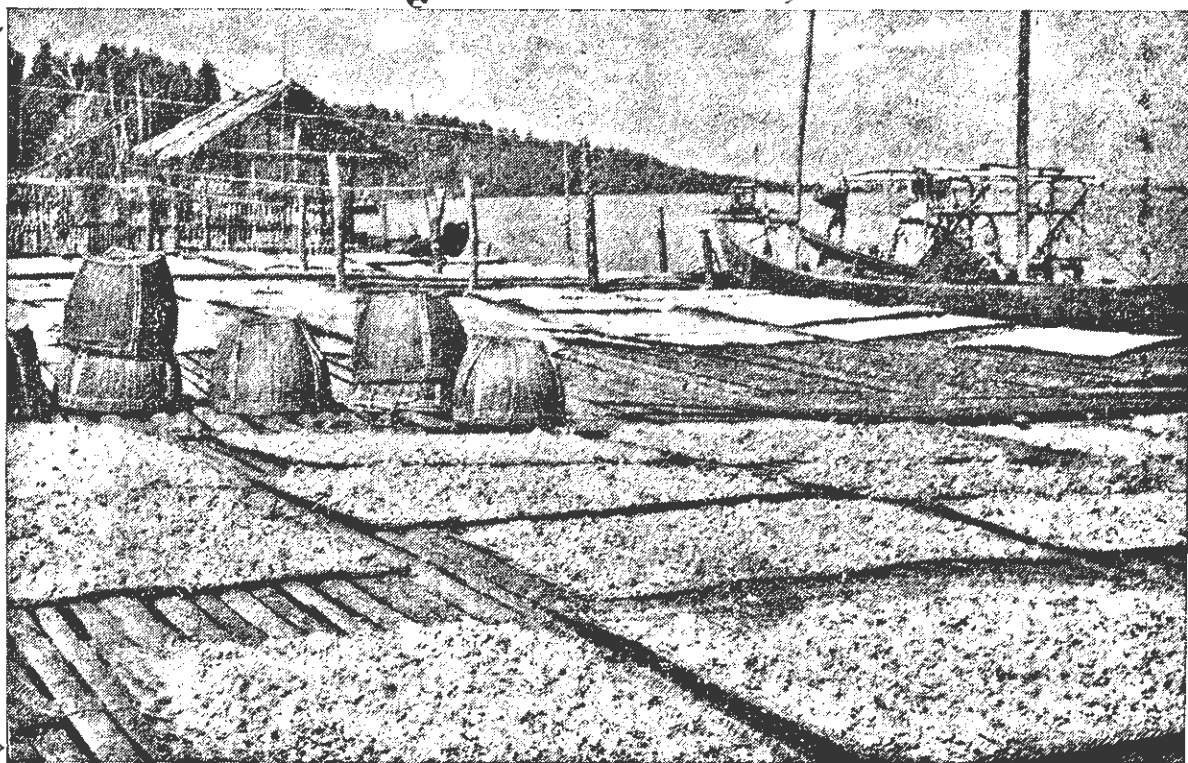
- (2) Teaching the importance of health and the production of hygienic *ngapi* for the welfare of the consumer.
- (3) Drawing up reasonable rules and procedures to be followed by *ngapi* manufacturers.
- (4) Payment of advances to *ngapi* producers so that they may be free from the control of capitalists.
- (5) The security given by the Defence Services in the districts.

One achievement of the *ngapi* project has been the selling of "hmyin *ngapi*" and fish sauce at K 1.55 per viss, regardless of season and location, since November 1959. Plans are being made to produce "hmyin *ngapi*" in sufficient quantities for distribution all over Burma.

FIREWOOD PROJECT

Progress of Firewood Distribution in 1959

<i>Months.</i>		<i>Quantity (in pieces).</i>
		K
January	...	1,91,33,160
February	...	2,40,87,830
March	...	2,41,93,250
April	...	2,09,59,500
May	...	2,10,42,332
June	...	2,04,93,350
July	...	2,63,40,900
August	...	2,69,67,700
September	...	2,66,85,700
October	...	3,10,17,800
November	...	2,28,80,600
December	...	2,56,72,410
Total	...	28,94,74,132



The DSI's *ngapi* Project

Ministry of Industries



U Thi Han, Minister

The Ministry of Industries has under its control the following:—

1. *Industrial Development Corporation,*
2. *Electricity Supply Board,*
3. *Burma Pharmaceutical Industry,*
4. *Union of Burma Applied Research Institute,*
5. *Paper Factory and Chemical Industries Board,*
6. *Directorate of Industries,*
7. *Boiler Inspectorate, and*
8. *Electrical Inspectorate.*

The Ministry's primary duty is in policy making with regard to development of industrial enterprises and the preparation of an industrial programme consistent with the economic development of the country.

So far as electricity is concerned, it is the policy of this Ministry to electrify the country with a standardized electrical distribution system to supply electricity at reasonable rates, and to promote the rapid industrialization of the country.

During the period of General Ne Win's Government many changes have taken place with the result that improvements in production and efficiency in administration

have been materially achieved as stated in the following paragraphs:—

I. Industrial Development Corporation

Prior to the change of Government, though in name the Head Office of the IDC assumed the responsibility of policy-making and overall management, yet in actual practice in many cases the above functions were dealt with by separate Sub-Boards and were eventually put up to the IDC Head Office only for formal approval.

The organization was rather loose in the Head Office itself, not to mention the

Sub-Boards. There was no such thing as organization set-ups (establishments) and appointments were made without having regard to the real needs and without consideration of the financial aspect.

With the change of Government, the Head Office was re-formed and a new organizational set-up drawn up with specific duties and responsibilities assigned to all officers and staff.

High policy matter is now centralized, while day to day workings of the Sub-Boards are decentralized for execution effectively within the broad frame-work drawn up by the Head Office. All the powers relating to high policy matters liberally given to the Sub-Boards, previously, were withdrawn and eventually the Sub-Boards were abolished.

In the IDC Head-Office, an IDC Procurement Committee was initiated and charged with the responsibility of procuring from abroad all equipment, spare parts and raw materials required for the various enterprises. The Procurement Committee also dealt with disposal of surplus stores and condemned stores. This eliminated stock-piling of huge stores and the unmethodical process of purchases made by various factories.

Also, a committee known as the Works Committee was constituted to deal with the construction programme for all the construction works in all projects, and for the selection and award of tenders.

In both these Committees, the Director-General served as the Chairman, with other officers concerned as members. As these Committees worked in close co-operation with the respective Heads of the Departments in the Main Office and those from Factories and also with the Finance Department, all matters relating to works and foreign procurements are now being carried out efficiently, economically and expeditiously.

The Chief Engineer's Department under the IDC Head Office also was re-formed and Divisions were formed keeping them in line with the organization in the Public Works Department. The procedures followed by the Engineering Department previously was rather undefined. The result was that there were many and varied irregularities. With the application of Public Works Department procedures in the Engineering Department of the IDC, there was appreciable improvement in every respect.

Following this reorganization, the drive was made to increase production, efficiency and economy of the industrial enterprises under the control of the IDC. Some of the marked achievements made during this period of ardent work are mentioned in brief form for the major plants and factories.

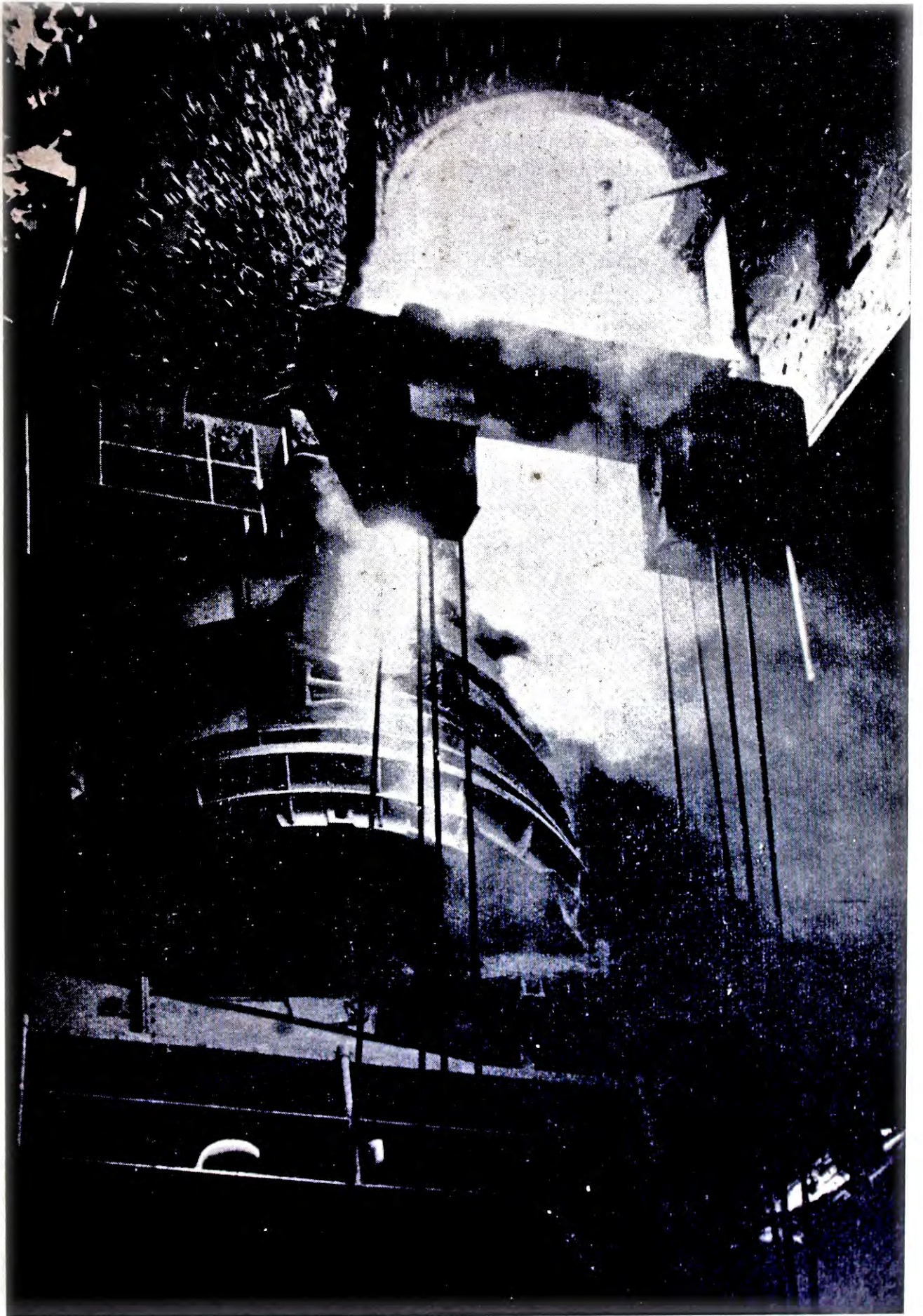
Realizing that the IDC cannot afford to have uneconomical projects, some of the projects such as Sericulture, Tea, etc., were closed down, and the Bhamo Sugar Plant was surrendered to the Kachin State Government.

(A) STEEL ROLLING MILL

The Steel Rolling Mill was not able to produce its guaranteed output, but hitherto the authorities did not take any clear-cut action with the Contractor concerned to rectify this.

The new management studied the workings of the Steel Mill and probed into the details of the problems. After the defects were realized the IDC took a firm stand and protested against the Contractor for rectification so as to make the machines produce the guaranteed output as mentioned in the contract. In the meantime, those sections reported to be uneconomical, such as the Sheet Mill Section, were closed down.

As the Government desires to resort to amicable settlement with the German Government to solve this dispute, as a first step, a Trade Mission to Europe,



Tapping molten steel into a pre-heated ladle at the Steel Mill of the IDC

headed by Brigadier Aung Gyi, conducted negotiations with the German Government. Demag responded with an offer of additional machineries worth well over 7 lakhs German marks and other incidental charges such as transportation of machineries to this country and the erection of machineries at the Steel Mill.

In the production side of the factory, also, more emphasis was placed on the production of wire nails which could supplement the country's need and which is profitable to the IDC.

Steps are also being taken to exploit iron ore, the raw material required for the Steel Mill. In this connection, a contract has been signed between the Burmese Government and Messrs. Krupp under the German Government Aid to explore the possibility of exploiting iron ore in various areas of the country.

A mission also is being sent to the Republic of China to make studies on the indigenous methods of iron ore processing.

(B) JUTE MILL

Steps are being taken to run the Jute Mill on three shifts and for this purpose an Establishment has been drawn up and approved.

The raw jute in Burma is too good to be made into gunny bags and as such they are being exported to earn more foreign exchange.

For jute bags required for the State Agricultural Marketing Board in the export of rice, raw jute is being purchased from abroad.

Now, with the formation of the Procurement Committee, the market trend of raw jute from other countries has been studied closely and carefully, and raw jute is being procured in the most systematic and economical way.

(C) SUGAR MILLS

There are three Sugar Mills under the IDC, one of which (Zeyawaddy Mill) was nationalized in 1954.

Previously, a separate organization was formed for each Sugar Mill with its own Chairman and General Manager. These Sub-Boards were controlled by the Sugar Board, which in turn came under the IDC Head Office.

These four Sub-Boards have been abolished and are now placed under the control of the IDC Main Office, through the CEO, who is in charge of the affairs of the three Sugar Mills. Each Sugar Mill is now under the charge of Senior Executive Officers, appointed from amongst the young officers of the IDC.

Organization set-ups are being drawn up with specific duties and responsibilities of each of the officers working in the factories; thus minimizing the duplication of work, while producing more efficiency.

In the procurement of cane too, the system has now been altered from that of purchasing from middlemen to that of purchasing direct from the growers.

In previous years, sugar cane was purchased through the Procos at the rate of K 40 to K 42 per ton, but the actual growers did not get this amount paid by the IDC. From the new sugar cane season, beginning November 1959 sugar cane is being purchased direct from the grower at prices ranging from K 30 to K 33 per ton.

The ARDC and the Agricultural Department have been making arrangements to obtain a registered list of all actual growers, so that they can draw advances under the recommendation of the ARDC Field Officers, and also for satisfactory settlement of the cost of cane purchased.

There is an ARDC Sugar Cane Executive Officer in each mill and the purchaser of cane in each district is under

the control of the District Security Council.

Hitherto, the Pyinmana Sugar Mill had not yet been accepted from the Japanese Contractors as there was some measure of disagreement between the contractors and the IDC regarding the guaranteed output as stipulated in the Contract. The matter has now been thrashed out and clear-cut decisions have been made to offset the claims made by both parties. Coupled with the new arrangement made with regard to cane procurement, the production has greatly improved since the opening of the new cane season this year.

(D) TEXTILE MILLS

There are two Textile Mills under the IDC; one commonly known as the Old Mill (American Mill), constructed by the Government, and the other as the New Mill (Chinese Mill), constructed by the IDC.

In accordance with the policy of the Government, the Old Mill was transferred to the IDC and the two managements of the old and new have been combined and placed under the direct control of the IDC.

In the Old Mill, it was found that there was a huge accumulated stock of about 18 lakh yards of plain cloth. Attempts had to be made to dispose of the entire stock at the best available price, thus enabling the payment to the Ministry of National Planning of an outstanding debt of about K 30½ lakhs for the imported American cotton under the ECA.

An effective sales drive was also made in competition with the textile goods produced from the private sectors. Arrangements have also been made with the Army Procurement to supply the Burma Army with olive green cloth to ensure regular supply and to save a good amount of foreign exchange.



Earthenware products of the IDC

2109

(E) CEMENT FACTORIES

Previously, the Old Mill, which was nationalized from the Burma Cement Co. in 1954, was managed by a separate management, whereas the management of the new Cement Mill was taken care of by the Cement Extension Implementation Committee. Both these organizations had their offices at Rangoon.

The two are now combined and placed directly under the control of the IDC Head Office. Later, the whole staff of the old and new mills were shifted to Thayetmyo. As a result of the amalgamation of these two organizations, there was closer co-operation and understanding between the staffs.

The Old Mill has a rated capacity of producing 200 tons of cement per day, but gradually production went down to about 80 tons per day, mainly due to drying up of the gas fields. As natural gas forms an integral part of process material, attempts are being made to locate new gas fields by Seismic Survey in collaboration with the Mineral Resources Development Corporation, Mines and Geology Department.

On the basis of good-will and friendly relations, and through the good offices of the Israel Government, the services of an expert was obtained from Israel for advice to the IDC Cement Mills.

After making detailed studies of the workings of the Cement Mills, the Israel expert submitted a report outlining the defects and made recommendations as to the steps to be taken by the IDC. His recommendations were assessed and considered closely and the authorities have found out that his recommendations are of immense value to the IDC.

After implementing the recommendations made in his report, it was found that the production capacity has gone up to about

190 tons a day, yet with a low cost of production.

Hitherto, the Grinding and Packing Plant of the new mill was planned to be located at Rangoon. The idea was to transport cement clinkers from Thayetmyo to the Grinding Plant at Rangoon by barges, and the crushing was to be made at Rangoon.

On examination of the proposal, it was found that it would be more advantageous to have the Grinding Plant located at Thayetmyo, thereby saving a capital cost of about kyats one crore required for the purchase of barges, improvement of site for the Grinding Plant, construction of cement silos, etc.

As regards the new mill, construction is going on in full swing, according to a concrete programme, which has now been drawn up. It is expected that the new mill will be in operation by about October 1960.

(F) STATE BREWERY AND DISTILLERY

After nationalizing the Dyer Meakin (Burma) Co. Ltd., the factory was run by a Sub-Board. Together with the other Sub-Boards under the IDC, this Sub-Board was also abolished and the overall management and control was taken over by the IDC Main Office.

During the year 1958-59, the production of beer has reached well over 4 lakh gallons, which is higher than the previous production of 3½ lakhs. In the distillery side also, production for the same period reached over 3 lakh gallons.

Since the first week of February 1960, the State Brewery is making use of the new Bottling Plant and new Brewery equipment which had lately been installed. The Bottling Plant automatically cleans, fills, crowns, pasteurizes and labels about 300 to 400 dozens of bottles per hour.

(G) ENGINEERING INDUSTRY PROJECT

This industrial project remains basically the remnant workshop from the Kachin State Government, as later transferred to the IDC.

The workshop was intended to provide an engineering service for the factories and mills of the IDC. Small odd jobs from other Government organizations and from private industries were also taken up. It was managed by a Sub-Board known as the Engineering Industry Project Board.

The workshop was more or less a hobby shop and the whole project was uneconomical. There was no proper accounts of stores for machineries and equipment procured directly from the suppliers and under the 1957 Japanese Reparations and also for those left over from the Kachin State Government.

The workshop has now been made self-supporting by taking up mass production

of kerosene stoves. The workshop will also produce steel filing cabinets and will also attend to any other orders to be placed with them by other Government organizations.

The present site is too small and plans are being made to shift the old workshop to a new site behind the Spinning and Weaving Factory. At the new site the workshop will take on production on a commercial scale, and will also provide workshop and foundry facilities to all the IDC Factories and Mills.

Stock-taking of the machines and equipment lying in the workshop was made and proper inventories drawn up so that the Equipment Control Committee, formed under the Ministry of National Planning, could channel some of the machines and equipment to other Government departments and workshops which are in need of the same.



Wickless kerosene stoves produced by IDC

(H) INDUSTRIAL LOANS

Previously, there was an Industrial Loans Board, which has now been abolished, and all loan matters are now directly dealt with by the IDC Main Office.

In the past, loans were not properly issued and also the outstanding arrears of payments were not claimed in time. In many instances, the borrowers failed to adhere to the terms attached to the loan. The recovery of loans then for a whole year would amount to only about K 3 to 4 lakhs; but now, due to clear-cut and firm action and black-listing of the defaulters, a sum of about K 77 lakhs have been recovered during the period from the beginning of the year 1959 to the end.

As private industrialists are finding difficulties in procuring raw materials and spare parts, arrangements are now being made to open an IDC Retail Centre for the sale of common items of machineries, spare parts and raw materials.

Previously, such items were issued under license and only those who were given license and who could afford to procure from foreign countries were in a position to obtain such goods, whereas small industrialists were unable to do so unless they would pay exorbitant prices for the same.

By opening the IDC Retail Centre at the Bogyoke Market, it is hoped to put a stop to such nefarious practices and to genuinely serve the small industrialists in their requirements of imported raw materials and other items of stores and equipment.

(I) COTTAGE AND SMALL SCALE INDUSTRIES AND SILK PROJECT

Previously there were two Sub-Boards; Cottage and Small Scale Industries Board and Silk Project Board. Due to high overheads, mismanagement and losses, the

Sub-Boards have now been abolished. Most of the uneconomical projects taken up by these Boards have been closed down.

A close study of each and every project was made and as already stated above it was decided to transfer the Bhamo Sugar Pilot Plant to the Kachin State Government as a gift and to rent out the Maymyo Condensed Milk Plant to the Army. Drastic cuts and reorganizations have been made in each of the projects.

Previously, a great loss was sustained in the Seri-culture Project. The establishment cost was too high and the yield of mulberry plants was not commensurate. Mulberry farms have therefore been divided into small plots and leased off to individuals or group of farmers for rearing of silk worms. The IDC, of course, would continue to give guidance and technical know-how to them. Cocoons for the IDC Silk Project are now being purchased from these farmers.

In Maymyo, some huge houses purchased by the Small Scale and Silk Project Board have not been properly used or maintained. With a view to earn an income from these houses which are left idling, plans are now under-way to turn them into Guest Houses after making some renovations and improvements.

There was also another uneconomical project, *i.e.*, the Pottery Pilot Plant in Moulmein. Before, the factory was producing numerous sizes and designs of pottery with heavy overheads and no attempt was made to popularize them in the market. On close examination, it was found that the project would be sound if it is run on a commercial scale.

The factory, being run on a pilot plant scale, naturally resulted in high cost. All the raw materials required for this project are obtainable in this country, except for one or two minor items which have to be imported. The items which



Burma made textiles, shoes, umbrellas, silks, etc., on sale at Bogoyoke Market emporium

caused a large drain of money were from the manufacturing and transportation side.

After examination, plans are now being made to instal a continuous heating kiln and to shift the factory from Moulmein to some other place where the conditions are more favourable and more economical.

(J) SCRAP IRON COLLECTION

Scrap iron collection was carried out previously by an organization headed by a CEO who entered into contracts with various contractors in the districts for collection and transportation of scrap iron.

It was found that some of the contracts, which expired some 3 or 4 years ago had been given extension from year to year on the same rates fixed in the original contract. As it was not fair both on the part of the IDC and the Contractors, all previous contracts have been terminated as far as possible and new contracts entered into after calling for fresh tenders.

The scrap iron organization is now placed under the Steel Rolling Mill, as its functions are subsidiary to the Steel Rolling Mill. There is now better co-ordination between the Mill and the collector of raw materials. Scraps previously dumped at Thamaing are being shifted to the Steel Rolling Mill site.

(K) TEA FACTORY

Since its operation in 1955, the Tea Factory has been running at a loss in spite of the fact that it was enjoying a trade monopoly.

The basic planning of the factory was wrong in that the factory was designed for the blending and packing of tea, but not for manufacturing. It appears that no market survey was made before embarking upon this project.

The production of this factory was based on the assumption that quite a large

proportion of Burma's population consume canned packed tea of high quality, whereas, in actual fact, the large portion of consumers purchasing tea are the tea shops which use inferior dust tea.

The total loss sustained was about K 21 lakhs. And added to the above fact, the main contract with a foreign firm was one-sided and the contract with a local tea firm, for the supply of Burma-grown tea, was also one-sided in nature.

As a solution, there was no alternative but to close down the entire factory, but in the meantime, in order to finish the overall stocks of unblended tea held by the factory, blending of tea was carried on by hand-blending method to curtail unnecessary overheads.

(L) FINANCIAL POSITION

In order to obtain a better view of the improvements made consequent to changes and reforms in the IDC, one should study

the financial statement of the IDC which is enclosed as an index-chart to this report.

During the financial year 1958-59, for the first time in the history of the IDC the actual income and expenditure show a surplus of about K 67.4 lakhs, while the actual figures of previous years always showed a deficit. Besides, this actual surplus of K 67.4 lakhs was made as against the estimated revised budget deficit of K 21.53 lakhs.

Therefore the net sum total of economy achieved was K 88.93 lakhs. This economy has been brought about during the short tenure of Bogyoke's Government due to drastic measures taken to reduce overall expenditure.

The budget estimates for the year 1959-60 shows a surplus of K 32.64 lakhs kyats and it is anticipated that with the present strict economy in expenditures, there will be more surplus than estimated in the budget.



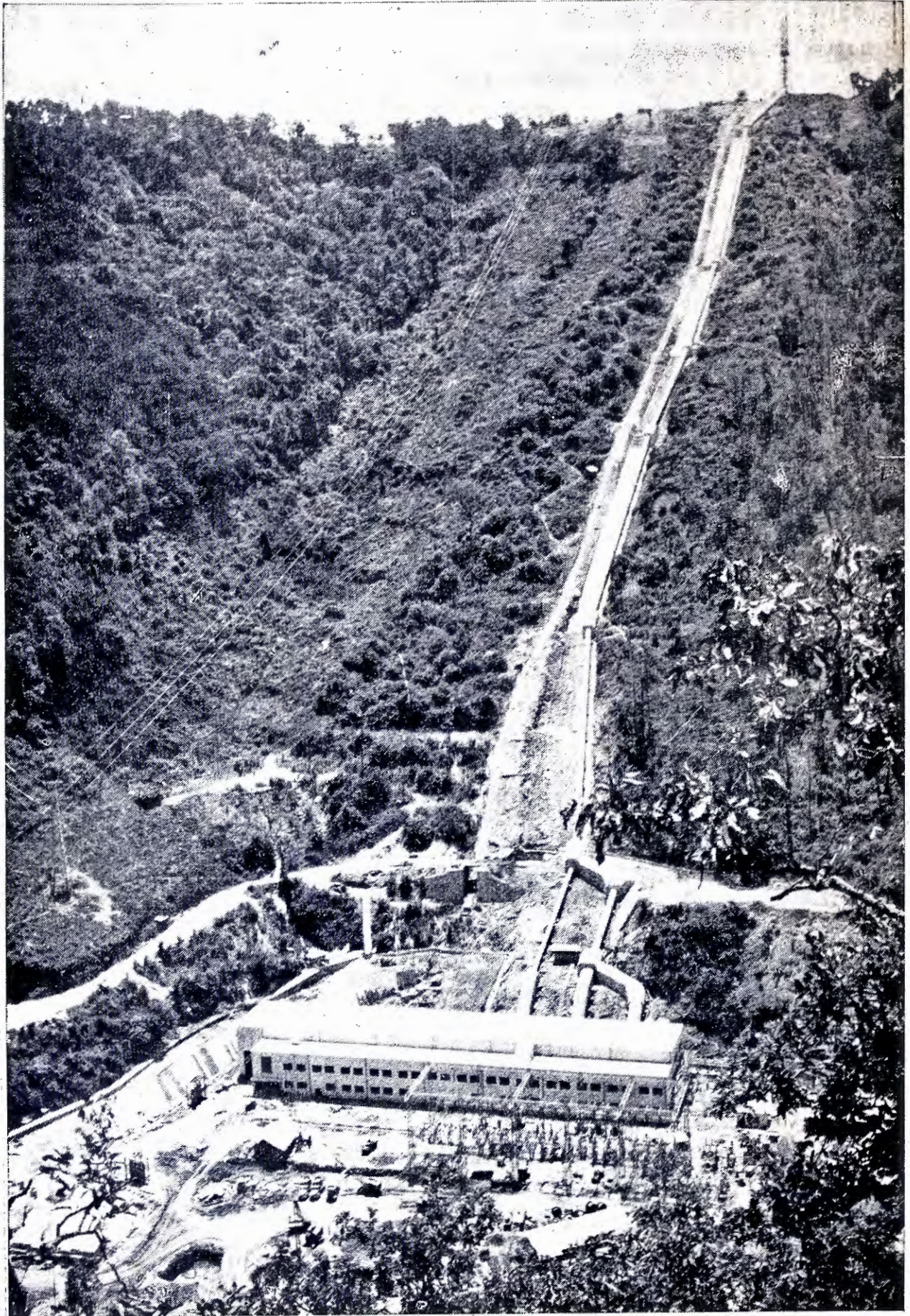
Biscuits made in Burma

(M) INDUSTRIAL DEVELOPMENT CORPORATION FINANCIAL POSITION

Current

[in lakhs]

Year		Budget						Actuals		
		Original estimate			Revised Estimate			Income	Expendi- ture	Deficit or Surplus
		Income	Expenditure	Deficit or Surplus	Income	Expendi- ture	Deficit or Surplus			
(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
		K	K	K	K	K	K	K	K	K
1955-56	...	564'50	608'00	- 43'50	400'81	552'44	- 151'63	448'61	552'44	- 103'83
1956-57	...	1,296'62	1,452'86	- 156'24	596'65	812'52	- 215'87	488'66	695'38	- 206'72
1957-58	...	1,146'80	1,139'83	+ 6'97	969'44	1,162'58	- 193'14	1,040'14	1,239'00	- 198'86
1958-59	...	1,538'06	1,467'16	+ 70'90	1,161'02	1,182'55	- 21'53	1,097'40	1,030'00	+ 67'40
1959-60	...	1,320'87	1,288'23	+ 32'64	...	...	...	...	...	...



Baluchaung Power Station ; with switchyard in foreground and Penstock and Swige Tank in background

II. Electricity Supply Board

The Electricity Supply Board has already nationalized the electricity supply undertakings of 46 towns, and out of the two big towns still with electricity when the Bogyoke Government took over, Mergui has been nationalized with effect from October 1, 1959, while the question of nationalizing the undertaking at Mogoke is under consideration by the Board.

If an electricity supply undertaking is run on a strictly commercial basis, it is bound to show profits. Hence, if proper accounting and administrative procedures are laid down for the nationalized undertakings and all possible losses avoided, they will become a valuable asset to the Board.

In the past, emphasis was given to electrification of small towns and villages under the "One-Day Electrification System," while commensurate attention was not paid to the introduction of proper administration and accounting procedures. The result has been much loss of material and money.

Furthermore, the existing system of supplying these small towns and villages with electricity from small diesel electric generating sets is a very costly one and, hence, the more economical method of supplying electricity to outlying areas from one central generating station is being adopted, wherever possible.

(A) ELECTRICAL AND MECHANICAL DEPARTMENT

As a result of the measures adopted in accordance with the policy of the Electricity Supply Board to stop further electrification of towns and villages and to concentrate on reorganization and improving the generation and distribution system, together with the administration of the undertakings, considerable improvements have been effected with immediate result that revenues have substantially increased.

With a view to promote industries in Burma and to bring down the prices of consumer goods, plans are under way to instal a 200,000 watt generating set at Akyab in the Arakan Division, so that the rice mills using steam boilers as a source of power may be driven by electricity, which is cheaper in operation costs. In Yenangyaung, also, a 550,000 watt generating set is being installed so that petroleum can be drilled economically by electric power.

The electricity rates in Rangoon and in the districts, not being uniform, action is being taken to fix a uniform rate applicable to the whole country; this will benefit the industries to a great extent.

During the tenure of the Bogyoke Government, the Board has made vast improvements, with the result that the figures for electricity units generated monthly has increased from 4.33 million to 4.94 million and the units sold have increased from 2.92 million to 3.2 million monthly.

This increase in the quantity of units sold have, in turn, resulted in an increase of income from K 168.74 lakhs in the financial year 1958-59 to K 205.05 lakhs in the financial year 1959-60. This amounts to 21.9 per cent increase over the previous year.

As a consequence of the drive adopted to collect electricity charges regularly and prevent theft of power, 318 cases of irregularities have been discovered and fines totaling K 49,320 have been levied.

In the system of supplying electricity by diesel engines, unnecessary expenditure was incurred due to irregularity in the purchase and use of POL.

In order to enable the Board to fix POL quota for each town, the size of the engine and the hours driven have been closely studied before allocations are being made.

Furthermore, instead of buying POL through agents, arrangements have been made to purchase POL directly from the BOC.

Of the 317 towns which were supplied with electricity by the Board in April 1959, 122 towns were found to be operating with loss. But following the measures taken to decrease expenditure and increase revenue, only 75 towns showed a loss during December 1959 and of these 75, only 31 towns showed a loss in excess of 10 per cent. Of them 39 towns, showing a loss, are situated in Burma Proper, while 36 are in the other States of the Union. Of the 39 towns running with loss in Burma, only eight were losing more than 10 per cent.

The matter of whether or not to discontinue supply of electricity to the towns which are run at a loss in the States of the Union is being submitted to the Government for decision.

Of the 39 towns running with loss in Burma Proper, the Board has already decided to close down seven of them, while in the remaining 32 towns, efforts are being made to reduce expenditure by such means as reducing the staff and reducing the hours of supply. The materials from the towns where supply has been discontinued will be taken over to towns where their use will result in an increase of income.

In the year 1959-60, K 91.1 lakhs was asked for to buy capital equipment needed for the extension of the distribution system of energy which will be derived from the Baluchaung Hydro-Electric Project. However, only K 40 lakhs was sanctioned, and this is being used to extend the electricity distribution system in the Prome and Pegu Divisions.

(B) STORES DEPARTMENT

This Department handles both electrical equipment for operation and maintenance, as well as electrical appliances for sale by the Commercial Department.

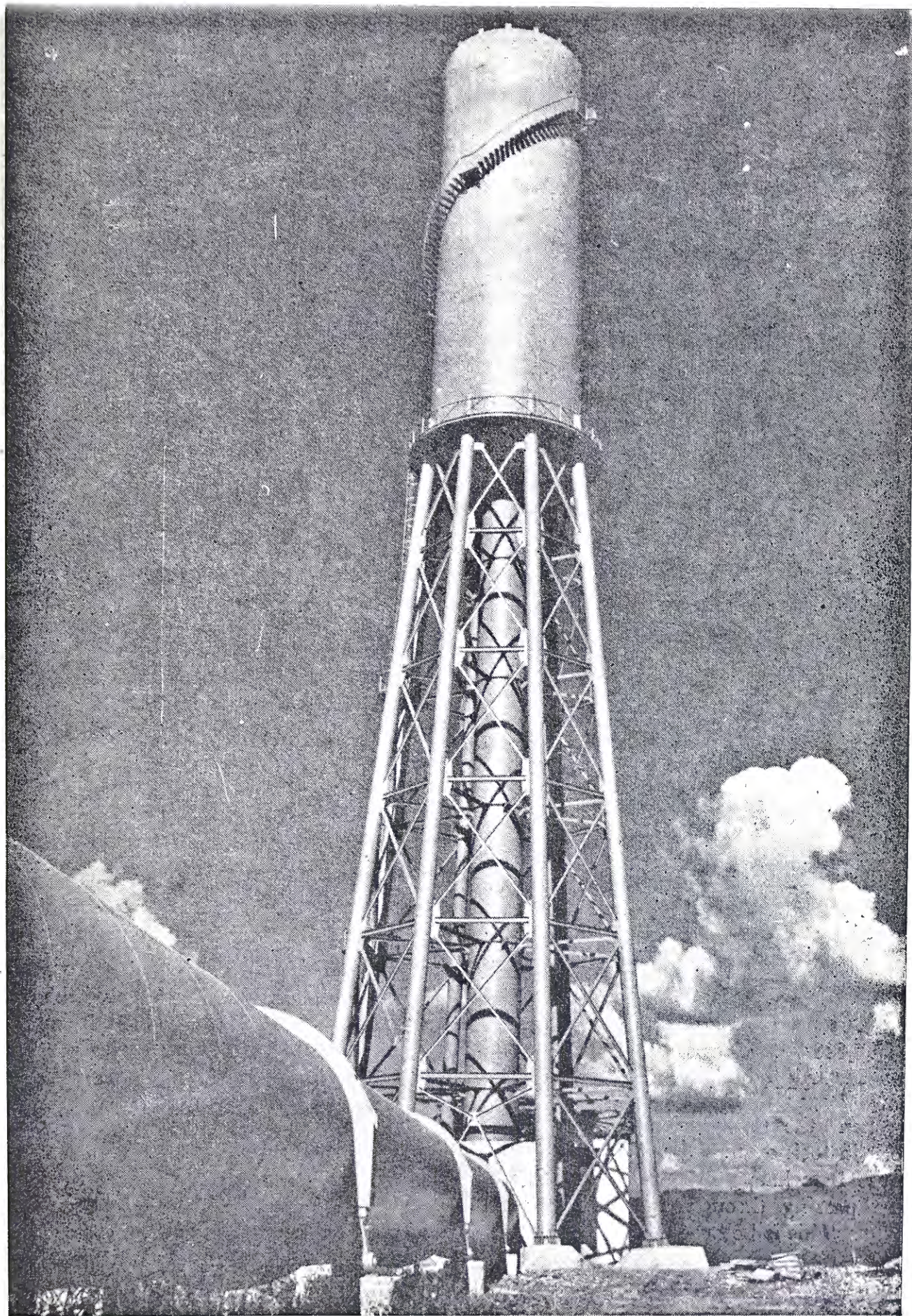
Previously, there was no proper system for procuring and storing materials, keeping accounts in issuing materials, etc. Hence, there was no proper and correct maintenance of records, and receipt, issue and balance of stores could not be checked. But at the present time, these accounts have been brought up-to-date and K 3 crores worth of materials are now properly stored and accounted for.

The Purchase Mission which did the procurement of electrical goods did not procure common and readily saleable items, but imported luxury items such as air-conditioners and refrigerators, with the result that these goods are lying in the stores. Moreover, interest has to be paid on the money which was loaned from the Government for their purchase.

However, at the present time, intensive efforts to sell these goods on hire-purchase terms have resulted in the successful clearing of the stocks.

Previously, because the Stores Department had indulged in the practice of hiring out available godown space to the Civil Supplies Department, many crores worth of materials had to be kept exposed to the elements, with the result that much equipment was damaged or stolen. Furthermore, because of a lack of system in the placing of orders for materials, many consignments arrived at the same time and the Stores Department was unable to clear the materials from the docks in time, and this incurred heavy demurrage charges and the demurrage charges have increased the prices of the goods offered for sale to the public.

At the present time, however, all the godowns have been taken back from the Civil Supplies and systematic procurements, storage, clearance from the port, maintenance of accounts and issue of materials have resulted in cutting down demurrage charges. Now, K 3 crores worth of Board's property is also being properly stored and accounted for.



The 203 feet high Swige Tank at the Baluchaung hydro-electric project

Instead of selling the electrical goods direct to the dealer for resale to the public, the officers-in-charge of towns previously had to store the goods before they could be issued to the local dealers, which resulted in misuse and malpractices, due to the ignorance of the officers in storage and counting procedure.

At the present time, the old practice has been abolished and the goods are now being distributed by the Commercial Department direct to the appointed agents, with the result that malpractices in this respect have been totally eliminated.

(C) ACCOUNTS DEPARTMENT

During the time of the Bogyoke Government, the functions of the Accounts Department has been rigorously overhauled and as a result of effective measures undertaken to supervise the work of the Accounts Department due to prompt receipt of periodical accounts and returns from the districts, it has been possible to complete the final accounts for the financial years 1957-58 and 1958-59. Furthermore, arrangements are also under way for compiling the final accounts for the financial years 1955-56 and 1956-57.

The internal audit section has been expanded, and as a result of concentrated efforts on the part of the auditors, financial irregularities were noticed in only 22 out of 164 offices inspected involving K 36,430; whereas for the corresponding period in 1958, out of 60 offices inspected, financial irregularities occurred in 29 offices involving K 1,96,813.75.

(D) HYDRO-ELECTRIC DEPARTMENT

When the Government of General Ne Win took over, the construction works of the Baluchaung Hydro-Electric Project were passing through a very important phase. This is because the peak construction period took place from the latter part of 1958 and continued into the first part of 1959.

During this period, the rate of progress was enormously increased as may be seen from the graph showing the rate of placing concrete which is a criterion of construction projects.

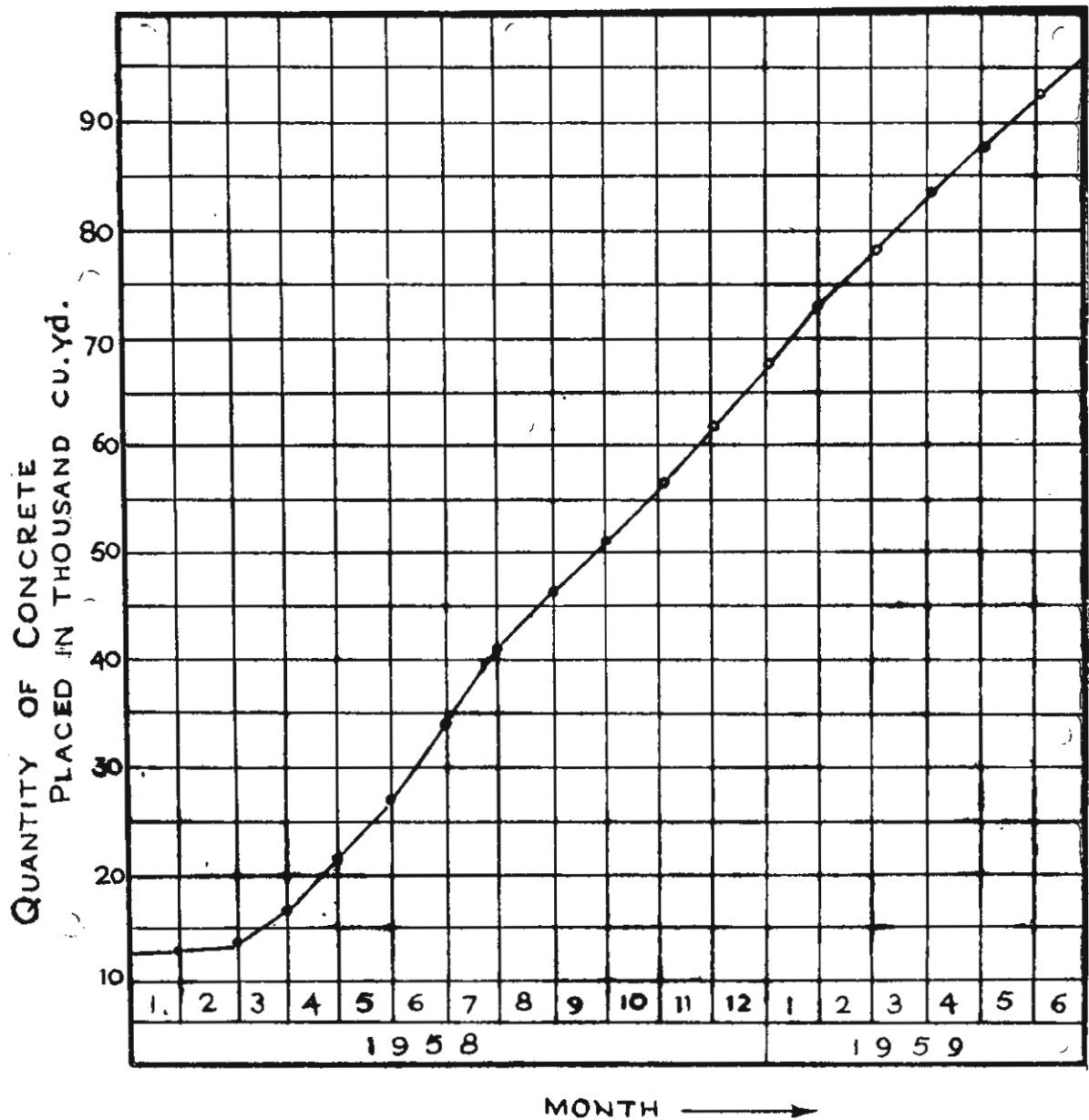
The rate of progress of major items of works during the year 1958-59 is shown in the table (next page).

It was in March 1959 that General Ne Win's Government decided on the construction of the Northern Transmission Line to Mandalay, the works of which are now in progress. This will enable the Hydro-Electric Power from Baluchaung to reach the Kalaw, Meiktila, Mandalay and Myingyan areas.

Active consideration is also being given by General Ne Win's Government to the financing policy of the Baluchaung Hydro-Electric Project. The proposed financing pattern envisages treating the Reparations expenditure of the project amounting to K 14.31 crores as Government equity, investment, half of the expenditure on construction of Loikaw-Toungoo road amounting to K 45.95 lakhs as Government subsidy and the remaining local kyat expenditure of K 11.85 crores as Government and Union Bank loans.

The waiving of the interest charges during the construction period and deferment of the depreciation for the first five years of operation on the power plant are also included in the financing proposals. If this financing system is adopted the cost of power delivery at Rangoon or Mandalay sub-stations will be about 6 pyas per unit (excluding distribution charges) which can be further reduced to 4 pyas per unit (excluding distribution charges) when the demand for power is increased.

From January to March 1960, the Baluchaung Power Project will undergo a series of tests and special arrangements have been made to conduct those tests by a firm of consulting engineers.



Serial No. (1)	Items (2)	Percentage completed upto end of							
		March 1958 (3)	June 1958 (4)	September 1958 (5)	December 1958 (6)	March 1959 (7)	June 1959 (8)	September 1959 (9)	December 1959 (10)
		per cent	per cent	per cent	per cent	per cent	per cent	per cent	per cent
1	Intake ...	28	50	78	90	98	99	100	100
2	Head race ...	10	30	70	81	90	95	98	100
3	Pondage ...	60	70	75	87	92	93	100	100
4	Gates and Screens ...	...	...	...	...	5	75	98	98
5	Concrete Conduit ...	58	80	88	92	100	100	100	100
6	Low pressure Pipe Line	50	65	70	73	88	100	100	100
7	Penstock and Swige Tank	50	55	70	75	79	99	100	100
8	Power House Building ...	52	58	68	80	80	92	98	100
9	Generating Equipment Erection.	...	...	...	...	15	54	79	100
10	230 KV Transmission Line	65	74	75	78	93	97	100	100
11	Rangoon Sub-station Building.	...	...	30	50	71	99	100	100
12	Rangoon Sub-station Equipment.	...	...	...	...	5	45	84	97.6

(E) ADMINISTRATION DEPARTMENT

Prior to April 1958, there were more employees than were actually necessary, while the appointment, promotion and transfers of employees were not done systematically and fairly.

During the tenure of Bogyoke's Government, the appointment of personnel, promotions and transfers were done with utmost care and when employees resigned or were dismissed, substitutes were appointed only when it is fully justified. The result has been that the staff's strength diminished from 6,636 persons to 5,792 persons, and with that strength the Board could carry out the same duties just as efficiently as before.

Because of the haphazard manner in which promotions were made before General Ne Win's Government took office,

much unfairness took place in this respect. However, in order that such faults may not occur again and for giving promotions fairly, equitably and expeditiously, service record cards for each employee are being prepared.

In the districts, all daily muster roll for labour and mobile gangs have been disbanded, resulting in substantial reduction in expenditures. Furthermore, in order to reduce expenditure as much as possible, the following steps are being taken:

- (1) A list of staff which will be required within the next three years is being compiled, and appointment of new personnel controlled from Headquarters.
- (2) Staff from the towns where electricity is to be discontinued are being absorbed into existing

posts as far as possible while those who cannot be transferred elsewhere are dismissed after giving one month's notice or one month's pay in lieu thereof.

(F) AMALGAMATION AND ABOLITION OF DEPARTMENTS

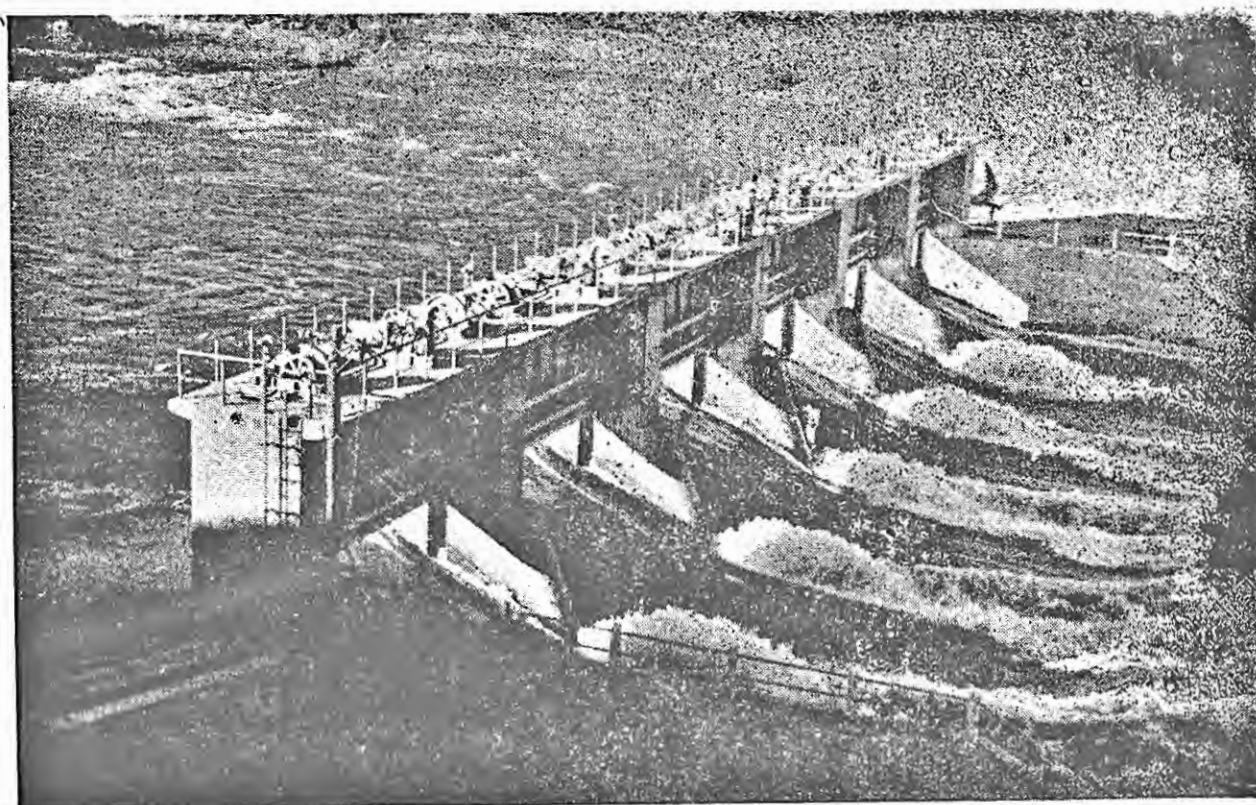
1. *Information Department.*—Previously, there was a separate Department in this Board, called the Information Department, the main function of which was to publish the Department's Magazine. The publishing of this magazine resulted in annual loss of at least K 5,000. This Department also carried out other duties regarding information services, but these were not discharged effectively and hence, the whole Department has been abolished.

2. *Local Advisory Committee Department.*—The functions of this Department were to submit the various suggestions of the

local advisory committees to the Board and also to the Department concerned. As this Department was duplicating the work carried out by other Departments, it was abolished.

3. *Wireless Communication Department.*—This Department used to provide wireless communication when towns were electrified on "One-Day Electrification" system and information was being sent to Head Office. Since the magnitude of the staff required and the cost of the equipment was excessive compared to its utility value, this Department was completely abolished.

4. *ESB Security Force.*—This force was used to safeguard the Electricity Supply Board's power stations and materials and also to provide security for the one-day electrification parties. The expenditure for this Department had to be borne completely by the Board. Hence, the security force was similarly abolished and its personnel absorbed in the Union Constabulary.



Gates and Screens at in-take site of Baluchaung project

5. *Commercial Department.*—There were two separate departments under this Board which were working on different principles. One was in the Rangoon Electric Supply and the other in the Electricity Supply Board. Hence, the two Departments were reorganized and amalgamated into one entity. During the Budget year 1959-60, the funds required for the operation of this Department will be borne completely by this Board. Also the GEC building has been purchased and the Sales Department for electrical goods has been established there.

Furthermore, the sale of electrical goods by the staff of this Board in the districts has been stopped and the materials are being sold to duly appointed agents for resale to the public.

6. *Education Department.*—The function of this Department was to give training to linemen and mechanics employed by the Board. In accordance with the new policy

of the Board to discontinue electrification of new towns and villages, there is no longer any need for this Department. Arrangements are under way to abolish this Department.

(G) BOARD SECRETARIAT DEPARTMENT

Between 1958 April and June 1960, 39 meetings were convened and 472 resolutions were passed. Some of the important resolutions are shown below:

- (1) Although the RES was nationalized on the 1st October 1953, *i.e.*, six years ago, the question of compensation was not settled. However, this case has now been decided and a report submitted to the Government.
- (2) To discontinue supply of electricity in seven towns.
- (3) To stop supply of electricity in towns showing loss during the



Rangoon primary sub-station and switch-gear at 17½ mile, Prome Road for Baluchaung hydro-electric project

day time when the Burma Broadcasting Service broadcast their programmes.

- (4) To supply electricity only for six hours a day in towns which are showing a big loss.

(H) RANGOON ELECTRIC SUPPLY

During the period under report, 2,000 tons of petroleum coke was purchased monthly from the Burmah Oil Company, the coke being used as a partial substitute for coal. This resulted in effecting foreign exchange savings.

Additional switch-gear is under erection at Mayangone sub-station to receive 33 KV double-circuit feeders from the Rangoon Primary sub-station of the Baluchaung Hydro-Electric Project, at 18th Mile, Prome Road.

The equipment for a reception sub-station at Ywama has been ordered from Japan and necessary buildings are under construction.

A 2,000 KVA Transformer sub-station has been constructed on the Kaba-Aye Pagoda Road to supply the Russian Hotel and the Army Ammunition Factory.

A distribution sub-station has also been erected, at the corner of Bogyoke Street and 35th Street. Between 1st November 1958 and the present time, 18 small sub-stations have been erected.

In the resettlement towns of North and South Okkalappa and Thaketa seven 6·6 KV transformers, 7·95 miles of 6·6 KV Main distribution lines, 20·06 miles of LT distribution lines, 60·49 miles of PL Main Lines and 2,026 street lamps have been installed.

Also in the 31 *kwetthits* which were dismantled, 21·75 miles of main wires and 623 street lamps were removed.

On the Prome Road and Rangoon-Insein Road which were recently widened, nine miles of main overhead distribution lines and 188 street lamps were moved to new positions. On the Prome Road, the wattage of 99 Mercury Vapour lamps were increased from 125 watts to 265 watts and modern type of lanterns installed.

Furthermore, 4,922 street lamps and 367 miles of PL Mains installed in the city. 7,131 new consumers were connected, resulting in an increase of power consumed from 126 million units to 144 million units.

The GEC building was taken over and the Commercial Department, Retail Sales Centre and Show Room have been opened in the place. Negotiations are under way for outright purchase of this building. The value of electrical goods sold between October 1958 and December 1959 was K 14,50,000.

Arrangements are in hand to procure and make available to public K 100 lakh worth of electrical goods in the current year.

During the period under report, K 32 lakhs of outstanding revenue has been collected and in 1958-59, the revenue income was K 3,02,66,002·28, the highest income received in the whole history of this Board. In order to facilitate payment of revenue by the consumers, Cash Offices have been opened in Pazundaung and Bogyoke Market, while the Head Office also remains open from 8 a.m. to 5 p.m. on week days and from 8 a.m. to 1 p.m. on Saturdays. Arrangements are underway to have their accounting done by machine and already certain returns could be turned out by the machine.

The internal wiring department has been reorganized and is now doing the internal wiring works for Amarapura Army Workshop and also at the Army base in Indaing, thus opening up additional sources of revenue for the Board.



Labelling of Gripe Mixture bottles at the BPI

III. Burma Pharmaceutical Industry

(A) POLICY OBJECTIVES

With the transfer of the management of BPI into the hands of Burma nationals, the Government's objective in the operation of the BPI was geared for the promotion of the interest of the consumers, service to the country, prevention and cure of diseases, raising the standard and maintenance of the health of the people, and self-sufficiency in time of emergencies.

The management was accordingly directed strictly in line with the business and commercial principles and on the basis of economic cost and efficiency.

The main objective of the BPI was to produce biological, galenical and other pharmaceutical preparations that are sufficiently attractive in quality and price for customers and that can accordingly be sold in the market at a reasonable profit.

In pursuing the objective set forth above, the operations of the BPI were guided by the following management policies:—

- (1) The BPI shall endeavour in the first instance to manufacture the required products from primary raw materials wherever practicable or indicated.
- (2) If for any reason, the above is not possible or practicable, manufacture shall be done by processing and formulation of intermediates, penultimates and other chemicals as well as by re-packing of bulk materials.
- (3) The BPI shall maintain a high standard in the quality of its products by manufacturing to the requirements of recognized Pharmacopoeias and accepted formularies.
- (4) The BPI ensures a high quality of its products. All the techniques

of quality control shall be applied strictly and methodically with exhaustive laboratory tests.

The operation of the BPI shall be in accordance with commercial principles and accepted commercial practices:

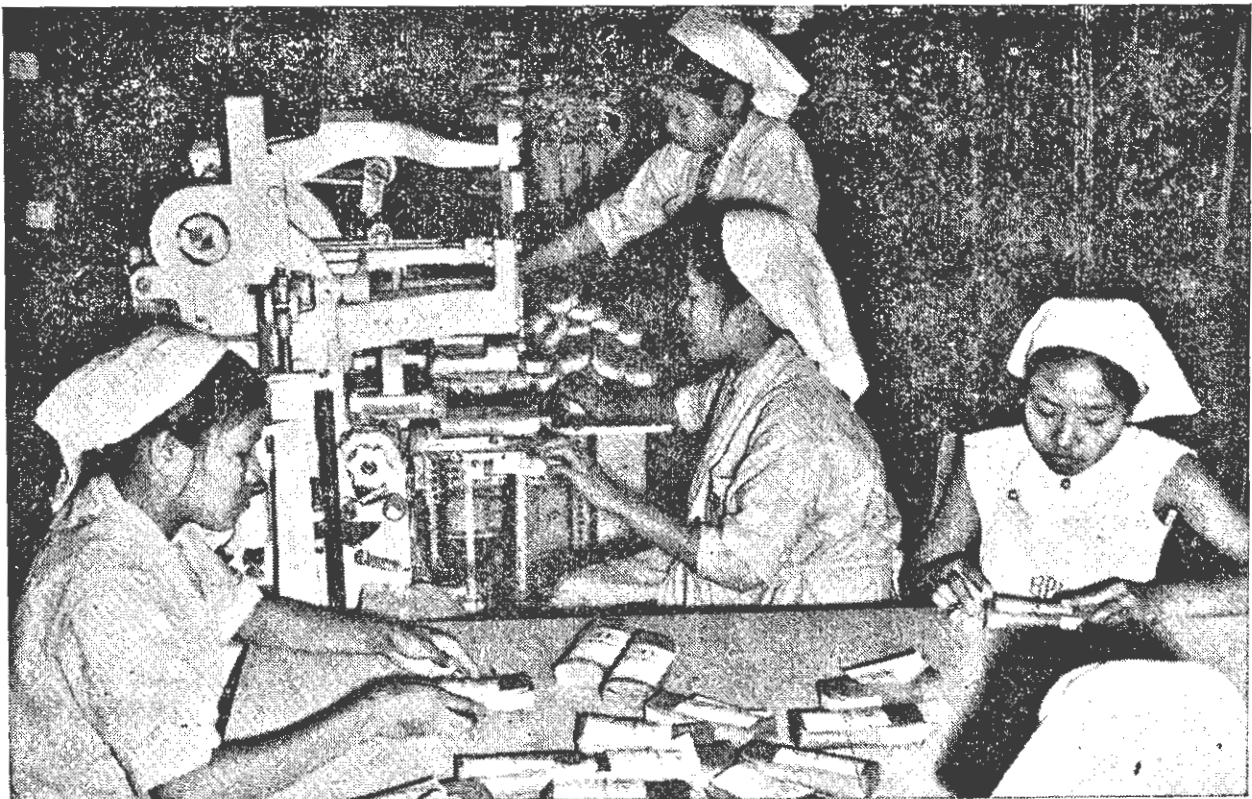
Provided that the margin between costs and selling prices be not more than required to ensure a reasonable price to the consumer, and at the same time sufficient to keep the Industry solvent and to build up a reserve both to cover any future loss in operations and to provide funds for improvement and development of the Industry.

- (5) The BPI shall endeavour wherever possible and practicable, to utilize raw materials and components available within the country in

preference to those imported from abroad:

Provided that the quality, price and availability compare favourably with imported raw materials and components.

- (6) To enable the BPI so to utilize raw materials and components available within the country, the BPI shall as a continuing activity explore indigenous resources, conduct investigations, institute research, develop programmes and undertake projects to improve and encourage the supply of such raw materials and components.
- (7) The BPI shall take all steps necessary to keep abreast with the latest developments in the field of medical science, the pharmaceutical trade and allied subjects and institute such



Packaging of Gripe Mixture bottles at the BPI

research and development programmes as are expected of a progressive enterprise in order to offer up-to-date products to the consumer public.

- (8) In order to fulfil its functions all the more effectively, the BPI may exploit its own resources, utilize and develop its own facilities for the production and sale of goods other than those for which the Industry has been set up and may also undertake such activities as are deemed necessary:

Provided that the production of all such goods or the undertaking of such activities will contribute directly to the efficiency of the Industry's operations.

(B) COMMITTEES

To implement the above objective and policy, the new Board appointed various Committees to manage the operation in various fields:

- (1) Programme Committee directs operation of the factory in accordance with the policy,
- (2) Production Committee supervises the works of production,
- (3) Raw Material Committee procures raw materials,
- (4) Publicity Committee supervises matters of publicity, advertisement and sale promotions,
- (5) Label and Package Committee designs or selects labels, bottles and containers to be used, and
- (6) Vaccine and Sera Committee supervises the production of the whole range of biological products.

The above Committees also give their joint technical advice to the Quality Control Department whose function is to undertake laboratory tests on both finished goods

and raw materials in order to ensure high quality production.

The objective of the new management is to produce standard quality medicines at reasonable costs for the mutual benefit of the Industry and the country. This new out-look in objectives and policies gives impetus to the activities of the Sales Department and activated publicity, propaganda and advertisement which had been neglected by the previous management.

A Medical Detailer was appointed to detail BPI products to the Medical Profession and to instil in doctors' confidence in them. A Medical Canvasser was also employed to obtain orders for the BPI products from medical stores, pharmacies and retailers.

Informative pamphlets on new BPI products, the lists of medicines available and price booklets and various advertising materials were distributed to doctors. Distribution of price lists and sample bottles and packages to all medical stores were also done by the new management. A movie picture of the various manufacturing processes within BPI was screened in many cinema houses as a means of prestige and institutional advertisement and propaganda.

(C) PRODUCTION

It is the common practice of all pharmaceutical industries the world over to out-lay a vast amount of money for the production of a long range of ethical and essential medicines and to restrict the production of household medicines to a few varieties. In achieving the target of self-sufficiency in a country, it is imperative to keep a close watch on the availability of ethical and essential medicines.

Out of 450 items of medicines now under production by BPI, only 10 or more items are household medicines. Besides, BPI manages to manufacture over 20 items from locally available raw materials. Two items

are re-packed from the locally available materials.

About 300 items are processed in BPI from imported raw materials and fine chemicals. Only 110 items are re-packed in BPI for resale to the public.

The packaging of such items as Copper Sulphate, Olive Oil and Acids is the usual practice of all pharmaceutical industries of the world as no industry can be self-sufficient with respect to raw materials.

The Quality Control Department in BPI previously confined its activities on testing of raw materials and finished goods only. But with the encouragement received from the new management, it has extended its activities into the field of research and started laboratory tests on Rauwolfia Serpentina for extraction of Reserpine Alkaloid, Nicotine from tobacco leaves and stumps and Morphine from opium.

Every effort is also made to obtain raw materials locally by test cultivation of such drugs as Nut-meg, Senna, etc., on 30 acres of land at Maymyo, Mudon, Poppa and Taikkyi with the help of ARDC.

The production of Biological Products during the time of the new management has tripled. In 1957-58, the total sale of Vaccine Sera, for Plague, Cholera, Typhoid, Tetanus and Diphtheria diseases amounted to only K 4,09,110.

In 1958-59 sales increased to K 11,37,648. The production of these biological products has met the country's demands.

The one aspect of the new management is the production of household medicines which the previous management has not given any serious thought.

Drugs and medicines were previously marketed in big-size packages and could not reach the consumer's homes. The present management produces them in small attractive packings so that they can be bought and used by consumers of all ranks.

BPI now produces household remedies such as Septol, the germicide; Super Phenyle, the extra strong phenyle; B.P. Rub, the balm; Burazine, the world syrup; Burscabe, the skin ointment for scabies and flea bites; Burspro for headache; Cal-D-Glucose, the vitaminized glucose; Gripe Mixture, the infant restorative and Vita Forte, the vitaminized yeast. These medicines are of very high standard and they excel foreign imported products in freshness.

Prices of all BPI products are very competitive. In many cases they are lower than prevailing market rates of similar products as will be seen in the following comparative statement.

Comparative statement showing wholesale rates on Household Medicines

Description of Goods	BPI rates	Imported rates
	K	K
Gripe Mixture (4 oz. bottle) ...	17.00 per doz.	18.00 per doz.
Cal-D-Glucose (1 lb. packing) ...	25.90 per doz.	27.50 per doz.
Burazine (4 oz. bottle) ...	4.50 per bot.	6.55 per bot.
Aseptol (4 oz. bottle) ...	1.12 per bot.	1.41 per bot.
Aseptol (1 gal. tin) ...	18.49 per tin	25.00 per tin
B.P. Rub (35 gm. bottle) ...	1.08 per bot.	1.40 per bot.
Burplex (B-Complex) (100 tab. bot.)	3.15 per bot.	4.07 per bot.
Burplex (C-Complex) (4 oz. bottle)	1.90 per bot.	2.06 per bot.
Burplex (B-Complex) (1.1 lb. bottle)	8.00 per bot.	8.95 per bot.

Other items of medicines usually prescribed by doctors such as Codanin, Cevit, Multivitamin, Fervit, Triple Sulpha, Sulphaguanidine and Burplex are also marketed in small marketable packages and bottles for the convenience of the consumer public.

The previous management used only one-colour labels on all the packages of their products. The new management realizes the inherent danger in the use of this uniform coloured labels and took immediate steps to introduce colour scheme in labels so that they can be easily identified by users.

(D) NEW CONSTRUCTIVE MEASURES

Apart from the manufacture of pharmaceuticals and biologicals, BPI under the new management is producing other items of consumers goods to make the industry more solvent.

BPI is manufacturing from indigenous raw materials rectified spirit required in the factory for the extraction of the active principles of medicinal drugs and in the manufacture of tinctures and elixirs.

The alcohol plant therefore plays an important role in every pharmaceutical industry all over the world as a supplement to the main industry. Its importance in the industrial field is also outstanding. Just as the quality of sulphuric acid produced in a country is a measure of that country's achievement in industrialization, so also is the requirements of alcohol for industrial purposes a measure of a country's progress in the field of fine chemicals.

From the middle of April 1957 to the end of September 1958, BPI's production of rectified spirit amounted to 405,803 gallons. It gave rise to the storage problem for over a lakh gallons at the end of December 1958 which necessitated BPI to reduce its production rate to 50 per cent till February 1959.

With the coming of the new management necessary arrangements were made with the Civil Supplies Management Board for their sale and the balance stock was disposed off within a short period of time. Production of alcohol was also increased from 800 gallons to more than 2,000 gallons per day. The total sale in 1958-59 was increased to 556,600 gallons. Rum and Gin are also manufactured and marketed for the first time.

Other items of production under preparation are Mitzu perfume, toilet accessories, scurring powder, detergent powder and insecticides.

To combat the exorbitant price of dry prawn in the market, BPI imported Ajinomoto in bulk and marketed them in small packages, with a view to substituting imported dried prawns. The price of this commodity had since shown a downward trend. BPI sold a packet at 75 pyas when the prevailing rate was worked out to K 1.40.

(E) SAVINGS

Substantial savings were made by BPI purchasing raw materials direct from world markets instead of through Evans which was the practice before.

A saving of about K 4 lakhs had been recorded in the purchase of just 47 items and BPI had to purchase altogether more than 400 items. A substantial saving of K 20,000 per month on the power used in BPI was also achieved. An amount of K 1,800 was saved per month on the transport charges of fuel oil by construction of a new bowser at the BPI which saves 3 pyas on every gallon of 60,000 gallons used monthly.

The new management also retrieved K 18,000 from the sterile products cast away as waste by the old management. Animal fodder and labels are obtained at cheaper rates than at the time of the old management.

Although sale of pharmaceutical products in 1958-59 exceeded that of 1957-58 by K 50 lakhs, transport charges and other facilities on their distribution increased by only K 1,000. The total collection of outstandings during 1958-59 amounted to K 1,19,76,826 as against the figure of K 67,75,746 during 1957-58.

The amount spent by BPI on import of raw materials and component parts increased from K 42,46,937 in 1957-58 to K 55,54,010 in 1958-59 with an appreciable reduction in production cost from K 19,98,693 to K 14,43,903.

Expenditures on the pay and facilities given to the Managers show a downward trend from K 15,12,664 to K 10,87,853.

(F) PROFIT

The new management has netted a profit of K 10,83,910 for the first time. This amount is exclusive of K 9 lakhs allotted for building depreciation and K 3,33,333 towards the payment of management fees to Evans Medical Supplies Ltd. The losses incurred during the previous management are shown below.

		K
1955	...	2,37,971.88
1956	...	5,12,796.91
1957	...	15,35,200.63
1958	...	10,92,249.48
Total	...	33,78,218.90

(G) CONCLUSION

The relation between the management and labour is perfect. There has been no labour trouble of any sort.

BPI will go into Anti-biotic field. Production of Chloramphenicol and Streptomycin, will begin in a few months time.

Extension of stables to keep more horses used for biological purposes, erection of a new power alcohol plant, and production of toilet goods, scurring powder, detergent powder and insecticides will be made in the near future.

(H) THE RANGOON DRUG HOUSE LTD.

The Rangoon Drug House is one of the organizations established during the period of the Bogyoke's Government. From the time of Burma attaining Independence up to 1958, regardless of the scarcity of foreign exchange, import of essential medicines for the health of the public were permitted without any restriction under Open General Licence.

Thereafter the "Quota System," restricting the use of foreign exchange, was initiated, in 1958. Although it is true that Burma had as much medicines as it needed under the OGL system and Quota System, foreign exchange was grossly affected. Under the OGL system import of non-essential medicines as well as medicines nearing time-expiry dates were allowed thereby involving the smuggling of foreign exchange. The value of medicines imported under the OGL system annually was from Kyat four to six crores.

In order to control the unruly state of affairs prevailing in the business of medicines, the Bogyoke Government had issued the following directions in February 1959:—

- (a) All medicines to be imported into the country have to be put up for scrutiny and approval to the effect that they are of real value by the Drug Advisory Council formed by the Health Ministry and National Health Council.
- (b) The import of medicines has to be supervised solely by a Board formed by the Civil Supplies Management Board and the Burma Pharmaceutical Industry.

To implement the aforesaid Bogyoke Government's Order, a Joint Venture enterprise was formed by the Civil Supplies Management Board and the BPI under the name and style of RANGOON DRUG HOUSE LTD. from February 1959. At



A 24-hour service drug house at RGH

that time the Health Ministry had formed a Drug Advisory Committee comprising 31 medical practitioners of repute to supervise and scrutinize the medicines to be allowed for import.

The Rangoon Drug House called for the particulars of medicines under their patent names, formula for the compounds, potency and other details and put the same for approval by the Drug Advisory Council. Up to the end of 1959 the Drug Advisory Council has had eight meetings. Four hundred and ninety manufacturers and suppliers have been registered and the Drug Advisory Council has approved 232. Out of a total of 6,528 items of medicines it has accorded approval for 3,251 items to be imported, *i.e.*, 49.8 per cent.

As a result of this check-up by the Drug Advisory Committee firms of doubtful repute were removed from the list and non-essential medicines were prevented from being imported into Burma. Before

the establishment of the Burma Pharmaceutical Factory, Burma had to depend 100 per cent on the imported medicines. Even now after setting up the Burma Pharmaceutical Industry, Burma has to depend 70 per cent to 80 per cent on foreign medicines and it is not feasible at a time of scarcity of foreign exchange to have unrestricted import of medicines.

In order to conserve foreign exchange, it is important that it should be utilized on medicines only of vital need for the public and on medicines imported by reliable companies.

The Drug Advisory Council formed during the Bogyoke Government has checked and approved the import of some medicines and thereby prevented the import of non-essential medicines into the country. By allowing the public to be misled by advertisement of unbeneficial medicines, there has been a wastage of money and undue wastage of time for treatment.

Since February 1959 the import of medicines into the country has been handled by the Rangoon Drug House.

The Rangoon Drug House gives priority to the import of vital medicines in accordance with the directions of the Drug Advisory Committee. For example, Anti-biotics, medicines for high blood pressure, anaemia, heart disease are imported to maintain a regular supply of these items.

The value of Anti-biotic medicines imported by the Rangoon Drug House from the time of its inception up to the end of January 1960 was kyat 50 lakhs and the value of Vitamins and vitaminized products was kyat 32 lakhs.

In as much as it gives priority to the vital medicines it prevents the import of non-beneficial medicines and the wastage of foreign exchange, allowing only a few of the

latter to be imported. For example, Jintan and Balashin were imported annually to the value of kyat 30 lakhs. These medicines are not remedies for any of the diseases to be taken up as an effective medicine but they may be taken only as an eatable. Therefore the Rangoon Drug House has not permitted the import of medicines like Jintan and Balashin.

The aims and objects of establishing the Rangoon Drug House are to have sufficient quantities of vital medicines, to prevent the smuggling out of valuable medicines from the country abroad and to bring down the prices of medicines in the market. Exclusive import is made not for profiteering but for distribution through the dealers in medicines to the public. In distributing, prices are fixed and directions are given in detail to sell them to the public at the fixed price by the dealers in medicines.

The Rangoon Drug House has required all manufacturers to affix the label "BURMA MARKET ONLY" on all imported medicines in order to ensure that medicines meant for the Burma market are not smuggled abroad. In addition the Rangoon Drug House keeps a watch on the distribution by requiring all dealers in medicines to submit their sales returns regularly.

The Rangoon Drug House distributes medicines not only for the public consumption but also for the needs of the various Government Departments. During the financial year 1959-60 kyat 10 lakh worth of Insecticides for the Agricultural and Rural Development Corporation, Chlorine for purification of water for use of the Rangoon Corporation, Phenyle for use of the Burma Railways Department have been imported.

The opening of the Rangoon Drug House has no doubt hampered the profiteering in medicines of all traders who

were previously importing medicines as they liked.

(I) DISTILLERY PLANT

The Government of the Union of Burma originally had the idea of constructing a very big and modern distillery that could produce sufficient quantity of spirit free from fuel oil and light oil, which are injurious to health, but for various reasons this idea could not be carried into effect.

The Civil Supplies Management Board had in the meantime constructed a number of local stills throughout the country and these, within the period of 5 years, had succeeded in meeting the local demands of country spirit in 27 districts.

The Union Government was all the time aware of the heavy burden imposed upon the Civil Supplies Management Board by requiring it to look after both the segments of production and distribution and knowing that the BPI is now in a better position from the point of view of experience and know-how to produce quality spirit in the most aseptic condition, has decided to hand over the entire production segment to the BPI authorities, leaving the Civil Supplies Management Board to look after only the distribution segment.

The BPI authorities were accordingly directed to take over the production work from the Civil Supplies Management Board within the period of 3 months with effect from February 1, 1960.

As a preliminary measure the BPI authorities have now taken over the operations of the Aung Mingala, Insein, Prome and Hlegu stills from the Civil Supplies Management Board from February 1, 1960, and is going ahead full swing with the plan of producing better quality spirit in most aseptic conditions.

IV. Union of Burma Applied Research Institute

There have been intensive research activities—activities directed towards utilization of the abundant and cheap raw materials of the country for the development of new industries and manufacture of high-value consumer goods—during the period at the Union of Burma Applied Research Institute.

The Institute has developed a process for commercial use by which bamboo (which is one of the most plentiful raw material throughout the country) can be manufactured into hardboard. This hardboard made by the UBARI process has been tested by International Tappi Standards and is found to meet the requirements of the American Federal Specification

It can be produced at a cost of 18 pyas per square foot and can be sold easily at a net selling price which is below the landed cost of imported hardboard at 24 pyas per square foot. Since there is a good demand for hardboard, as it is a cheaper building material than the other materials such as asbestos sheet, wood or plywood, this industry is recommended in view of the fact that it does not need foreign imported raw materials.

The UBARI process uses an exclusive method whereby the binder is obtained from the bamboo itself, thus eliminating the need to import chemical binders. In addition, since it consists of only simple operations and the main raw materials required are bamboo and water and electricity it is ideally suited for Burma's present conditions.

The UBARI has further done research on converting bamboo into high quality paper. The experiments conducted so far have indicated that by using the patented UBARI bamboo shredding process, a substantial saving in capital cost of a proposed Burmese pulp and paper factory can be achieved.

This saving arises from the fact that the conventional method of making pulp from bamboo uses bamboo chips which have to be cooked for several hours with high pressure steam and strong chemicals. After cooking the bamboo chips are broken up and sent to the bleaching section. The liquor which is left in the digesters have to be sent into an expensive recovery plant consisting of evaporators, furnaces, dissolvers, clarifiers, etc., which are difficult to operate and require highly skilled engineers.

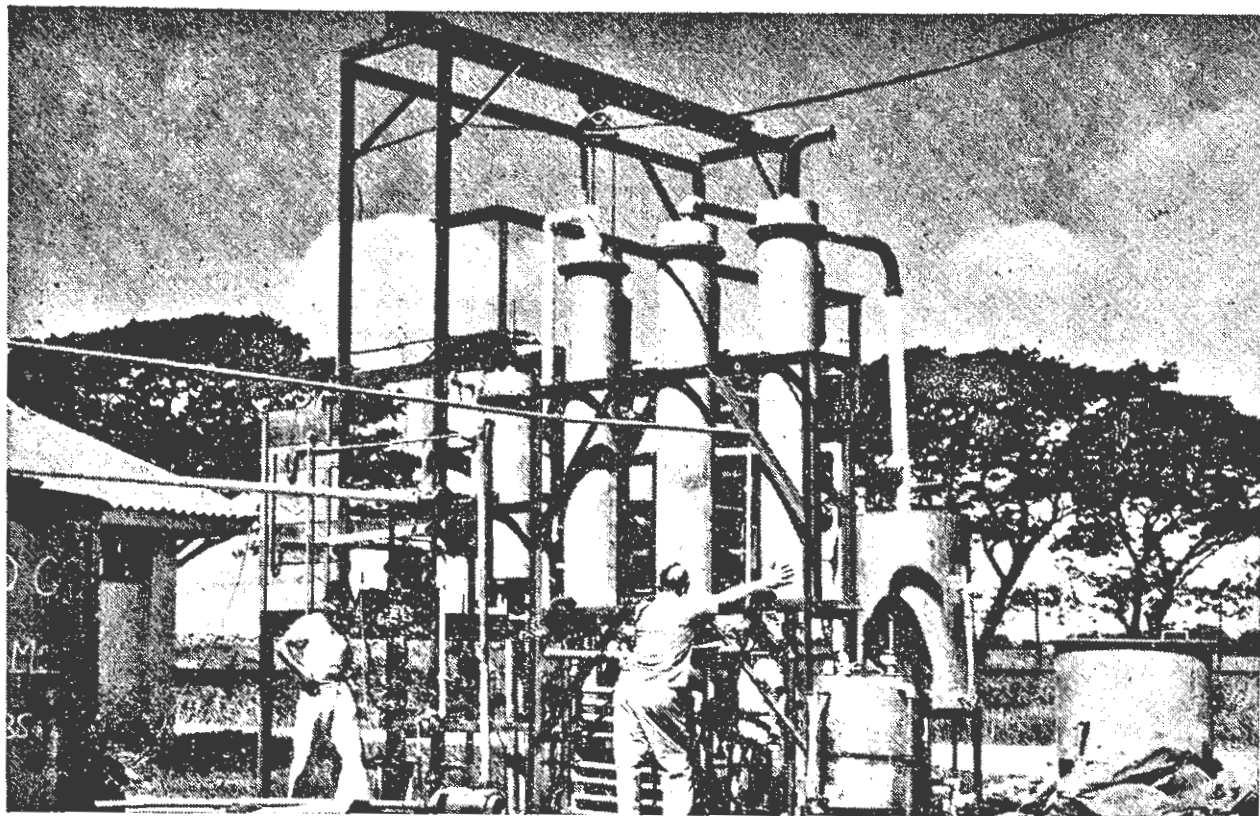
In contrast to the above conventional process, the UBARI process does not require digesters, which are costly as they must be very strong to hold the high pressure steam and also very resistant to the strong chemicals. Instead a simple operation using warm water and weak solution of alkali only is required.

This is not the only advantage. Because only a weak solution of alkali is employed, the waste liquor does not contain much chemical and therefore need not be recovered for economical operation. This eliminates the need for the expensive and complicated recovery plant which is essential in the conventional process.

Another advantage of the UBARI process is that easily available apparatus are used throughout the process and so they can be obtained readily.

Since the Union of Burma is naturally endowed with the world's largest reserves of bamboo forests according to the international surveys, it is highly recommended to carry out research on utilization of bamboo for production paper as the local needs for paper are great and the world market is also increasing year by year, which cannot be supplied by the coniferous forests of Europe and America because they have reached their limit of conservation.

The Union of Burma Applied Research Institute has invented a Rice Bran Oil



A plot plant for Rice Bran Oil with a capacity to produce 4 tons per 16-hour working day ; designed and installed at UBARI

Extraction Unit. This Unit had to be invented because there is no Rice Bran Oil Extractor available anywhere in the world which can extract oil from Rice Bran in the 4-ton per 16-hour working day size.

The smallest available units (from Japan or Germany) are of at least 25 tons per day size. This size is too large for the thousand Burmese rice mills over the country, which produce on the average only 4 tons of rice bran per day.

Also these large foreign units are very expensive. Fine UBARI Rice Bran Oil Extraction Units which could take in 25 tons per 24 hours working day would have the same capacity as a Foreign 25-ton Oil Extractor and costs less than half the price quoted for the Foreign Extractor.

So the UBARI Units do represent a new innovation and are best suited for Burmese rice mills and local conditions.

The advantages of the UBARI Rice Bran Oil Units are briefly:—

- (1) They solve the rancidity problem encountered with rice bran. This problem is a serious one as the acid content of the rice bran increases by one per cent every two hours.
- (2) They are simple to operate and do not require highly paid engineers to run them.
- (3) They can be fabricated in Burma. In fact one UBARI Rice Bran Oil Extractor has been erected in Moulmein by a Burmese Rice Miller himself.
- (4) They are very inexpensive compared to the foreign imported extractors. Their price is within the means of rice mill owners, whereas the foreign plants

costing several lakh kyats are beyond their resources.

- (5) They use a solvent which is easily available from the Burma Oil Company and have a high efficiency of oil extraction at low production cost.

In view of the fact that at present the Union of Burma is having to import K 5.5 crores worth of oil every year, it is very desirable to encourage the extraction of rice bran oil from the 500,000 tons of rice bran produced every year within the country. The extracted rice bran or rice bran cake as it is called has a good price and is in demand by foreign countries.

The UBARI is ready to issue licences for the commercial use of its Rice Bran Oil Extraction Units to Burmese Rice Millers and Industrialists.

The rice bran oil which is already being produced has had a ready sale because it is more economical than the other edible oils such as sessamum and groundnut and because it has no bad effects on human beings. It is similar chemically to the sessamum oil which is the favourite oil of the Burmese people.

The Union of Burma Applied Research Institute has set up, with the technical assistance of UNESCO, an Instrument Centre for Burma, which was well commended by the UN Secretary-General, Dr. Dag Hammarskjold during his recent visit to the Institute while he was in Rangoon. This Instrument Centre offers technical services for the repair of electrical and electronic instruments and meters, glass apparatus, optical measuring instruments and microscopes and precision mechanisms.

In addition, the calibration of electronic instruments and the fabrication of scientific glassware can be carried out.

Early this year, a group of Burmese Technicians started making glass apparatus for scientific use. They are achieving skill under the training of a UNESCO Expert in glass-blowing. They will relieve a long standing and troublesome problem for scientists in Burma which had been the breaking of glass apparatus in use or even before use (whilst in transit from the manufacturer). Since there was no trained glass blowers in the country, these broken apparatus became useless.

Now, the UBARI-UNESCO Instrument Centre can mend these pieces and put them back in working order and even make simple glassware, thus contributing a great saving in foreign imports and eliminating hardships due to the breaking of glass apparatus. The same is true for electronic instruments which are in great use in many government factories and departments as no modern automatic process controls nor sensitive measuring instruments can function without electronic aids.



Testing of quality of paper produced from bamboo at UBARI

Burma has a lot of trees whose barks have been tested by UBARI for their tannin content. Many industrialized countries are in need of tannin powders for making leathers and with our Spray Drier we have been able to produce good quality tannin powders from Burmese barks. Experiments conducted in our laboratories show that Madama bark can be modified so as to give a bright coloured leather which fetches higher price than the red leathers made by Crude process, using the original Madama barks.

We were successful in our experiments of preparing a special oil used for softening leather. This oil was made by the sulphonation of Burmese Castor Oil.

A product which will be welcomed by the womenfolk of Burma and which could be exported to other countries as a beauty cosmetic, is "Thanatkha" powder. The ancient method of applying "Thanatkha" bark was to grind it to a paste with water on a stone slab.

This paste is a very fine astringent application for making the skin smooth and cool. But in these modern days of powders, and creams it is going out of fashion because it is inconvenient to grind the paste everytime one wants to apply "Thanatkha." The paste does not keep well as it soon turns sour in the wet state.

We have solved this problem by a special process whereby a dry powder is produced, which upon mixing with water forms a paste which will stick to the skin just like the paste made by grinding the bark on a stone. People had tried to make such powders before but their products were unsatisfactory as the powder used to fall off the skin when the paste became dry.

Our special process retains the essential ingredient in "Thanatkha" bark which gives it the property to stick to the skin even when the paste becomes dry.

About £ 12,000 of equipment for setting up a Food Technological Laboratory in the

UBARI were received from the United Kingdom under the Colombo Plan. The apparatus have been set up in the laboratories.

The electronic and sensitive instruments are being used in an air-conditioned room, the chemical apparatus in the chemical laboratory and the pilot plant machineries have been installed in the Pilot Plant Building.

Work on raising the standards of *ngapi*, which is one of the most basic items of diet of the Burmese people, is already in progress and other experiments on fish flour to supply low cost protein to protein-deficient nursing mothers are being carried out in co-operation with a Burmese commercial concern.

Experimental work was also conducted to increase the production of salt-fish in Burma by more effective utilization of solar energy. Application of new methods of preparing the fish and accelerated drying employing solar reflectors were successful in reducing the time required for making salt-fish. This would help towards reducing the present import of K 45 lakhs of dried fish due to deficiency in salt-fish production in Burma.

In the month of February 1959 the first Burmese closed circuit continuous Floatation and Gravity Concentration Plant for improving low grade ores up to marketable concentrates (over 65 per cent Antimony content or better than 90 per cent Antimony Sulphide) was put into operation.

This Floatation Plant was designed, installed, tested and operated by the UBARI for a Burmese Mining Company. Its economic significance is that though it is a small plant costing less than one lakh kyats it can produce K 18,00,000 (Kyats eighteen lakhs) worth of Antimony concentrated per year out of unsaleable low grade ores. It has been designed flexibly so that it can handle other types of ore besides Antimony.

The Institute is now conducting research on raw materials for the Burma Pharmaceutical Industries in close co-ordination with the BPI and ARDC.

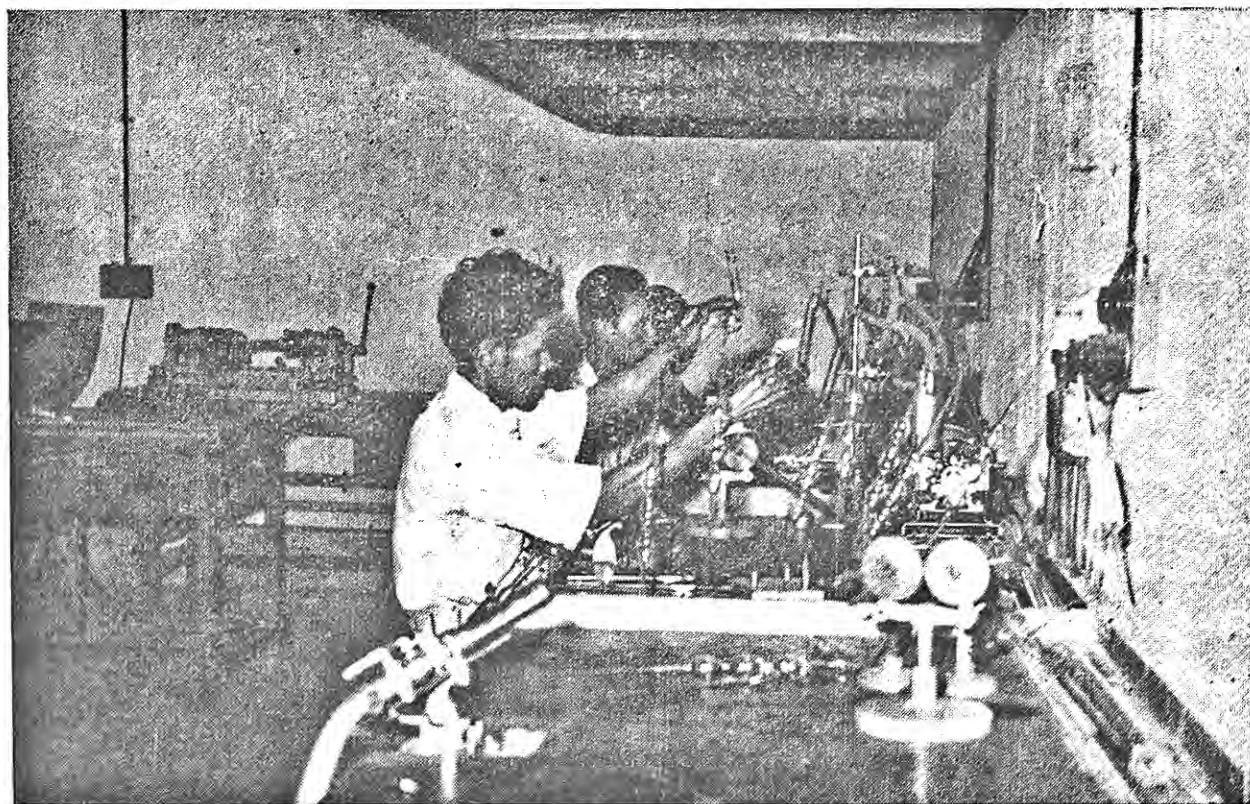
Over a hundred indigenous medicinal plants have been collected and identified. The determination of the alkaloids in *Alstonia Schloaris* (Burmese name: *Letdhokhaut*), *Adhatoda Vasica* (*Mayangyinpin*), *Acorus Calamus* (*Linnaypin*), *Calatropus Gigantica* (*Mayo*), etc., were carried out in our laboratories. Castor oil of pharmaceutical grade has been produced from Burmese castor oil seeds.

In summation, stress must be laid on the significance of the two research projects, namely on the Rice Bran Oil Extractors and the Bamboo Pulping Process. Raw materials for both of these are available in quantity. Experiments in both the fields are in a very advanced stage.

In fact, the Rice Bran Oil Extractor can be classified as complete as three such extractors are right now operating and are producing rice bran oil. In addition many more are in process of fabrication.

As regards the Bamboo Pulping Process, laboratory experiments definitely indicate that the shredding process has great advantages. The semi-automatic bamboo shredder for cheap production of shredded bamboo has recently been developed and the details of manufacture of hardboard in Burma using the Union of Burma Applied Research Institute patented process have been worked out.

These two new industries initiated by the Union of Burma Applied Research Institute constitute a tangible addition to the national income and thus to the economic welfare of the country.



Burmese technicians at UBARI engaged in making glass apparatus for scientific use

V. Directorate of Industries

The Directorate of Industries was first formed in 1954 by combining the offices of the Superintendent of Industries and the Superintendent of Cottage Industries. This creation of a new Directorate by the Government was motivated by the urgent need for industrial development in the country. As the number of industries grows, the Directorate was reorganized in 1954 increasing the number of officers and opening branch offices at Mandalay and Moulmein.

The Directorate of Industries is, therefore, a relatively young department and since the first reorganization in 1954, the scope of work has increased tremendously as many new industries came into operation especially in the years 1954 to 1959. A review of the organization of the Directorate showed that it was urgently in need of a change as it was no longer effective and efficient.

(A) REORGANIZATION

The reorganization was, therefore, begun in May 1959 by the rearrangement of the existing resources on a functional basis. With the Director of Industries as the Head of the Directorate, the departments of "Industries" and "Industrial Organization" were formed.

The Industries Department is mainly concerned with the field work relating to the industries such as the inspection of factories, the investigation into the requirement of foreign technicians, machinery, equipment, and spare parts, etc., while the Organization Department deals with all the staff and administrative functions including planning, statistics, organization, training, technical services, etc.

Under the Directorate of Industries, there are thirty-one district weaving-schools and the Saunders Weaving Institute at

Amarapura. Even a casual investigation into the working of these schools shows that most of them are superfluous; the main reason being that the majority of the pupils, after undergoing a year's theoretical and practical training, do not take up weaving as a profession thus leading to the waste of time, money, and labour spent on them.

The Government, therefore, decided to close down 14 schools and to make improvements in the training methods at the remaining schools so that pupils, on leaving the school, will be able to earn a living either in the handloom or powerloom weaving.

This decision leads to a saving in the departmental recurring expenditure of about kyat two and a half lakhs.

The Central Procurement and Marketing Depot of the Directorate of Industries was meant to serve the local industries by procurement of raw materials and by marketing their products. Although the aim was good, the achievements were unsatisfactory as the Depot was unable to expand its commercial activities under the yoke of Government rules and regulations.

It was, therefore, decided to hand over its commercial functions to the Industrial Development Corporation Retail Centre, which has recently been opened, and to retain the other promotional activities under the Promotion of Small Industries and Marketing Branch of the Production Management and Training Division.

(B) DISTRIBUTION OF RAW MATERIAL

The Civil Supplies Management Board is the sole importer of cotton yarn and the Directorate of Industries provides the the Board with all necessary data on the procurement, sale, and distribution of this important raw material. Hitherto only the advise of the Directorate of Industries was obtained on this matter.

On a review of the textile industry, which is the largest industry next to agriculture, it was found that there has been shortage of cotton yarn during the past two years and that its distribution and sale has been much to the dissatisfaction of the weavers and other consumers. As thousands of hand-loom weavers in the districts are involved, these defects were brought to the notice of the Government as a result of which the Government decided to allow the import of a hundred million kyat worth of cotton yarn for the year 1959-60, which is about double the import during the last two years.

From past experience, it is felt that this large import will adequately meet the demand of the industry. Then, in order that the weavers and other users may get the cotton yarn of the right type and quality at the right moment, the Directorate of Industries, in consultation with the industrialists from various districts prepared an import programme showing the monthly requirement of each district together with the respective counts of yarn and quality desired.

For the current year, the Civil Supplies Management Board will carry out the procurement and distribution of cotton yarn in accordance with the programme as provided by the Directorate of Industries.

As in the case of cotton yarn, the Civil Supplies Management Board holds the monopoly to import silk yarn for distribution and sale to the weavers.

Discussions with the pre-war silk yarn importers and the district weavers revealed the correct types and qualities of yarn required by the weavers. The Civil Supplies Management Board was, therefore, provided with a more satisfactory method of procurement and marketing of this raw material and, simultaneously, action was taken for the immediate import of silk yarn by Joint Venture Corporation No. 3 from China to supplement the import from Japan.

The Civil Supplies Management Board imports all plain cotton cloth required for trade as well as for industrial purposes. Previously, an average of K 40 million worth of these materials were imported yearly and, out of this, about 40 to 50 per cent were distributed to various local industries.

With the increase in the number of industries, and with no separate allocation for industrial purpose, this allocation was found to be inadequate resulting in the blackmarketing of plain cloth.

The Government has, therefore, provided an increased quota of kyat sixty million for the import of plain cloth during the year 1959-60.

Out of this total allotment, forty million kyat worth will be sold to the trade while the remaining twenty million kyat worth will be distributed to the industries.

Previously the distribution of plain cloth to the industries was done by the Civil Supplies Management Board. As the Directorate of Industries has direct contact with the industries, it was considered as more appropriate if the Directorate takes on the responsibility to distribute the cloth among the industries.

Consequently, by mutual arrangement with the Civil Supplies Board, the Directorate is now making allocation of plain cloth to the industries as suitable quantities are made available from time to time by the Board.

Because of the withdrawal of dyes and chemicals from the Open General Licence list in 1958-59, a serious shortage of these materials in the market followed with the result that distribution and sale had to be controlled by the Directorate of Industries. As the supply situation of these raw materials improved, the control was lifted on the 1st October 1959.

(C) ADMINISTRATION AND CONTROL OF INDUSTRIES

Hitherto, there was no registration of industries with the Directorate of Industries. The registration has, however, to be made with the Importer's and Exporter's Registration Board of the Ministry of Trade Development for the main purpose of importing machinery and raw materials from abroad.

Hence, with the primary object of facilitating the administration and control of industries, registration of industries has been introduced and only those registered will henceforth be entitled to the services and assistance from the Directorate of Industries.

As equitable distribution of foreign exchange among the various industries is essential for their continuous successful operation, the industries, applying for import licences for the import of raw materials, spare parts, machinery and equipment, etc., are required to furnish the Directorate of Industries with sufficient operation data such as the production and sales for the past six months or a year, the production planned for the next twelve months, labour employed, fuel and power consumption, etc.

They are also required to maintain proper accounts so that the management will not only be able to control their own factory production but will also be able to prove the *bona fide* nature of the undertaking.

Since the data submitted by the industrialists were checked and counterchecked by the inspecting officers of the Directorate, quite a number of the bogus industries were weeded out and those which were *bona fide* were given their requirements of foreign exchange which, in most cases, were higher than before.

In co-operation with the Union of Burma Applied Research Institute, the Directorate

of Industries has established Standards Committees for the standardization of locally manufactured toilet goods and handloom products respectively. These Committees have been able to arrive at certain standards generally acceptable to the industry and in line with the accepted standards in other countries.

Now the toilet goods manufacturers have been asked to submit the formulae of the articles manufactured by each individual and these formulae will be checked by taking samples at random from the market and by analysing these samples in the Government laboratories. The use of harmful ingredients, if found, may be punished by withdrawal of the Directorate's recognition and even by legal action, if necessary.

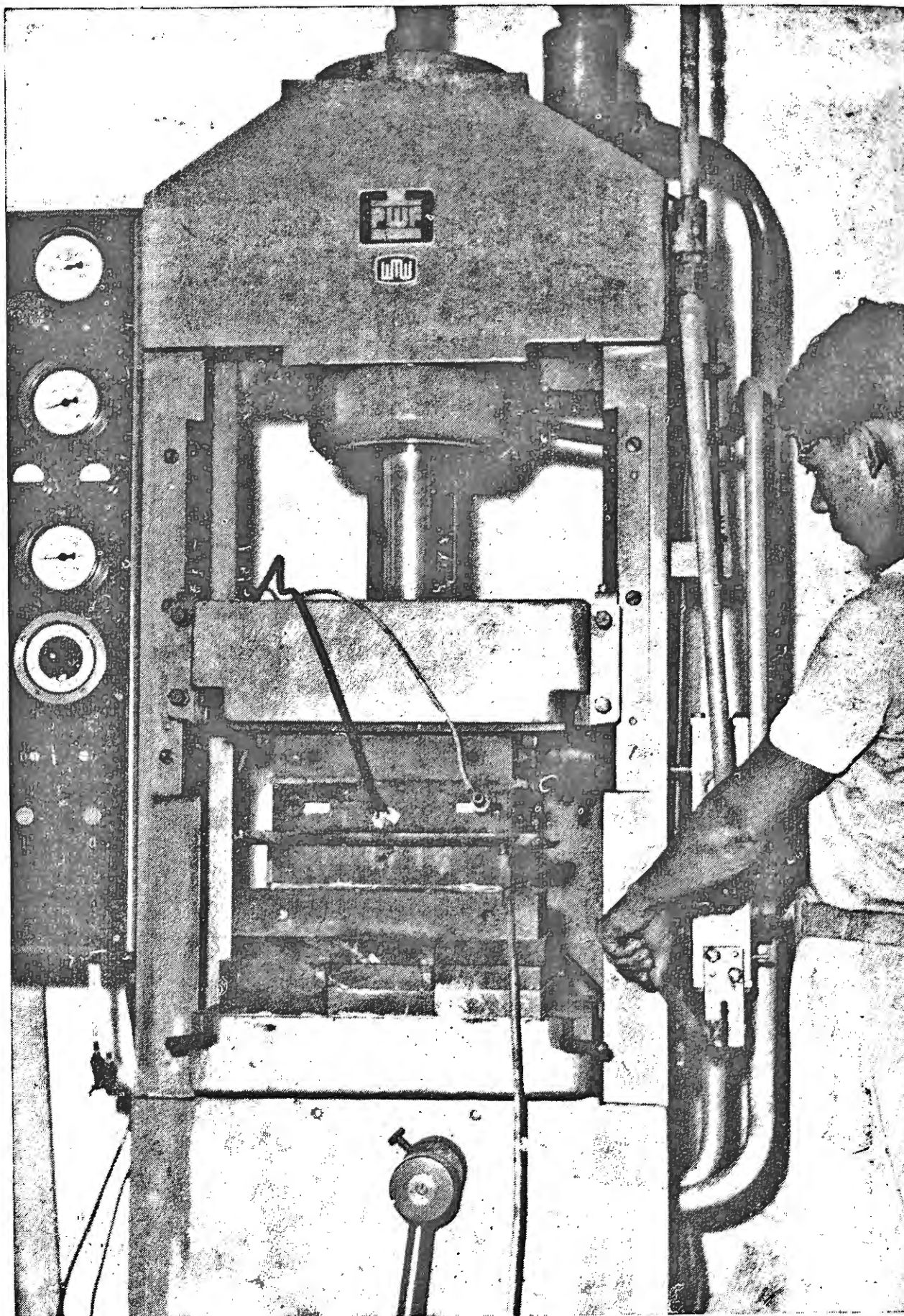
(D) AID TO LOCAL INDUSTRIES

As a measure to promote local industries, steps were taken for the production by the private industries of certain commodities such as cotton vests, woollen sweaters, and socks, required by the Defence Services. The quality and price must, however, be competitive. Part or all of the raw materials may be supplied by the Defence Services in those cases where the payment of duties affect the cost of production to an appreciable extent.

Steps are being taken to establish a sound industrial development bank which will operate on purely commercial and private basis. The immediate need for such a bank is felt keenly by all the industries.

Most of the public still do not know that certain products such as nylon and rayon fabrics are being manufactured locally. This was due to the fact that these products are being sold in the market together with similar imported articles so as to appear as if they also were foreign products.

Under the sponsorship of the Directorate of Industries, and with the assistance of



A technician at UEARI operating the hydraulic press used in the manufacture of experimental hardboards

the Rangoon Corporation, the Burma Products Emporium was established in the first week of December 1959 at the new building in the Bogyoke Market. Only products from local industries are sold in that Emporium at the regulated or reasonable prices and with a prominent "Made in Burma" tag.

There are very many small industries, such as slipper manufacture, lapidary, and bakeries, which need raw materials from abroad in small quantities at a time. To cater to the needs of these small industries action has been taken to set up a Retail Centre by the Industrial Development Corporation.

Co-ordination between the textile manufacturers and the clothing industry has been successfully initiated by the Directorate of Industries, by convincing the clothing manufacturers that the local textiles are comparable to the foreign materials in price, quantity, and appeal, and that they could be fabricated into wearing apparel and sold with the same margin of profit. The clothing industry is however, allowed to import those textiles which are not available locally.

Two courses on productivity have been conducted by the Directorate of Industries under the guidance of the ILO Productivity Experts attached to the Directorate. Each course was attended by about twenty trainees, most of whom were management personnel from the Government industries and departments. Arrangements are also being made to conduct more such courses with the private industrialists participating.

An Industrial Information Centre, organized solely by the private industrialists, is to be established in the near future. This centre will work for the benefit of the private industries by giving all necessary assistance in drawing up project proposals, siting of industries, factory layouts, economy in fuel and power consumption, increasing

labour and machine efficiencies, maintenance of accounts, stock registers, as other such technical and economic advice as desired by the industrialists. It will also conduct training classes on management, administration, and productivity, and will impart technical information which will be of use to the industries.

The Investment Act of 1959, gives certain privileges, such as non-nationalization for at least 10 years and exemption from income-tax and customs duties for the first three years, which are inducive to the setting up of new industries especially with foreign capital. In this connection, the Government has agreed to permit the private individuals to establish sugar mills and spinning and weaving factories which were previously considered as State monopolies. All necessary assistance will be rendered to those who wish to go into these fields.

(E) CONCLUSION

From the statistics available, it was found that the private sector contributes approximately 92 per cent of the total of output of all the local industries. This shows that for the industrial development of Burma the private sector should be encouraged as far as possible.

The industrial policy of the Bogyoke Government is in line with this fact as will be clear from the above description of the activities of the Directorate of Industries carried out within the short space of about 15 months.

As the economy of Burma is primarily based on agriculture, forests, and mining, it is the policy of the Directorate of Industries to give special preference to those industries which utilize the natural indigenous raw materials. Rice bran oil production, fishing, and raw rubber production are a few of such industries which will be given full encouragement.



U San Nyun, Minister

Ministry of Transport, Posts and Telecommunications

The Ministry of Transport, Posts and Telecommunications includes the following departments and boards:

1. *Posts and Telecommunications Department.*
2. *Union of Burma Airways Board.*
3. *Inland Water Transport Board.*
4. *Union of Burma Railways Board.*
5. *Transport Advisory Committee.*

Defence, internal security, the economic life of the people, their standards of living and general welfare depend to a large measure on efficient means of transport and good posts and telecommunications. Therefore, the Government of General Ne Win accorded priority to all these matters concerning transport and communications.

For the welfare of the public in general, the Government had the following three objectives in dealing with transport:—

- (a) Lower the cost of living,
- (b) Provide speedy and low cost transport, and
- (c) Transport as fast as possible to the ports, and the foreign exchange earning export traffic.

In pursuance of this policy, the Railway Board and the Inland Water Transport Board were directed to reduce by 20 per cent to 30 per cent the freight rates on common consumer goods. This reduction in freight charges was one of the factors which contributed to the effective manner in which the cost of living was reduced during the term of office of the Bogyoke Government. Arrangements are in hand also to review the freight charges on other goods.

All available transport resources have been utilized to the fullest possible extent to avoid waste and to provide cheap, fast and punctual services for the carriage of passengers and goods. Privately owned public transport have been allowed to operate in fair competition with state-owned transport.

Special attention and priority have been accorded by the state-owned transport undertakings to the speedy transport of the main foreign exchange-earning commodities such as rice, teak, pulses and minerals. They have also kept a close watch on the distribution of transport facilities for seasonal products for both internal and external consumption. Special arrangements were also made for the carriage of commodities such as petroleum, cement and sugar which effect savings on foreign exchange although not directly earning it.

As it was considered both desirable and necessary to bring about the co-ordination of all forms of transport, this Ministry enunciated the following four guiding principles to achieve this end.—

- (a) Each form of transport to be used within its proper sphere.
- (b) There should be controlled co-existence where more than one kind of transport is necessary, so that there will not be any unhealthy or wasteful competition.
- (c) There should be no over-supply of transport facilities in some areas and an inadequate supply in other areas.
- (d) There should be co-operation in providing facilities for an easy interchange of passengers and goods between areas served by different modes of transport.

This Ministry believes that the faithful implementation of this policy will lead to the achievement of the three aforesaid objectives concerning the people's welfare.

In 1957, the then Government of the Union of Burma decided to re-amalgamate the Posts and Telecommunications Departments on the grounds that the nature of their functions were similar, they once functioned as a single department and this was the case also in other countries, and

there would be saving in time and money. However, for various reasons the plan did not materialize till the advent of the Bogyoke Government.

A Posts and Telecommunications Advisory Committee was formed and eventually the Posts and Telecommunications Departments were at last merged with effect from January 15, 1960. The amalgamation is effective not only in the directorate but also down to the lowest levels, and more than half the task of merging has been accomplished so far. When all the posts and telecommunications offices in the districts have been combined as in pre-war days, it is anticipated that an annual recurring saving of K 8 lakhs will accrue.

There is a scheme which is under the joint consideration of the Ministry of National Planning and this Ministry, whereby the various transport undertakings will come under the control of a single statutory body. One single administration for all forms of transport will not only facilitate their co-ordination and save in total expenditure to lead to general public benefits, but will also create an *esprit de corps* amongst the staff of the various transport organizations.

The achievements of the individual departments and boards under the administrative control of this Ministry are set forth below in continuation of this report.

I. Posts and Telecommunications Department

Defects in the Postal Department, such as pilferage of postal articles, delays in delivery of money orders, registered and unregistered articles, were remedied.

As regards the Telecommunications Department, in strict adherence to the policy "where there is a departmental telephone, it must be able to communicate with any other telephone in any part of the

country", every effort was made to maintain properly the equipment which had already been installed; all available resources were also used in constructing new lines and installing new equipment. Hence there is an improvement in every respect.

1. *Combined Posts and Telegraphs Offices.*—Efforts were directed towards combining the Posts and Telegraphs Offices in the Districts. Wireless Stations functioning separately were merged into the existing post offices and redesignated as Combined Posts and Telegraphs Offices, on the line of practice obtaining in pre-war days. This has resulted in the combination of 76 offices, the breakdown of which (according to Divisions) will be noted as under:

Rangoon (10).
 Pegu Division (16).
 Mandalay Division (10).
 Shan and Kayah Division (8).
 Mandalay T.S.O. (1).
 Tenasserim Division (2).
 Sagaing Division (4).
 Chin Special Division (1).
 Irrawaddy Division (14).
 Magwe Division (7).
 Kachin State Division (3).

2. *Revenue from the Broadcast Receivers License.*—There were as many as 55,315 holders of Broadcast Receivers who evaded payment of license fees. When measures to collect the fees were tightened and the public duly warned against the unlicensed holding of Broadcast Receivers, the public rushed to the Post Offices to pay a total sum of K 5,53,150. The undermentioned chart will provide a useful at-a-glance information.

Broadcast Receiver License fees realized

		1957-58	1958-59
		K	K
New Receivers	...	96,130	7,59,070
Old Receivers	...	2,03,870	2,31,840
Sur-charge	...	40,300	76,740
Total	...	<u>3,40,300</u>	<u>10,67,650</u>

3. *Formation of Posts and Telegraphs Advisory Committee.*—Effective 2nd February 1959, an Advisory Committee consisting of 12 members was formed by the Government. This committee is headed by the Minister for Transport, Posts and Telecommunications, U San Nyun, and includes the Secretary of the Ministry, heads of the Departments of Posts and Telegraphs, representatives from the Ministry of Finance and Revenue and prominent members of the public.

The Committee sits monthly to advise the Government on important Posts and Telegraphs matters. It also explores into the defects obtaining in the departments and suggests remedial measures.

4. *Manual Compilation Committee.*—Since the rules were framed as far back as 1898 and corrected up to 1937, it became necessary to review the entire code of Post Office Manuals.

As such, a Committee was formed to compile, edit and modify the existing regulations. The first meeting was held on April 8, 1959, and the work has been progressing satisfactorily since then.

5. *Six New Post Offices in Rangoon Town Area.*—About 26 post offices under the control of G.P.O. existed pre-war and the same number of post offices have been opened since 1949.

The round-the-clock sorting post office at the Airport now works with shifts, thus enabling the closing of mail pouches 30 minutes ahead of the departure of planes. In addition, 5 more new post offices were opened at Sanchaung, Aungsan-myo, Okkalapa (North), Okkalapa (South) and Thaketa.

6. *Rural Post Offices.*—With a view to providing postal facilities to those residing in remote areas, the Government has very lately accorded approval to reviving the pre-war system of running rural post offices on an agency basis.

Under this system the restricted functions of post offices are entrusted to agents who are paid honorarium for the services rendered. The cost of establishing such agency post offices being low, it is planned to open about 100 offices within 1960. The break-down (according to Divisions) will be as under:

Pegu (5).
Irrawaddy (15).
Tenasserim (11).
Mandalay (7).
Sagaing (10).
Arakan (3).
Kachin (9).
Shan (12).
Chin (12).
Magwe (6).

Beginning with December 1959, 14 such rural branch offices have been established up to the end of January 1960.

7. *Speedier Mails*.—(a) Night running of trains introduced under the present government has accelerated the transport of mails, which in turn greatly improved mails delivery to the extent of a saving of 24 hours.

(b) Mails arrangement in the Rangoon postal area deserves special mention. Previously, mails from the street letter-boxes were carried back to the G.P.O. for sorting and transhipment to destination. With the provision of additional mail cars, a new system was introduced to effect delivery within the day of posting.

Under this scheme, mails from street letter-boxes for Rangoon area are sorted in the van while on the move and deposited at the office of destination. Mails for the districts and foreign countries are also pre-sorted in the van thus enabling the speedier despatch of mails from the G.P.O. Delivery within the day of posting is

assured to the correspondents if posted at the G.P.O. before noon.

8. *Parcel Mails*.—The detention of foreign parcels in the Rangoon G.P.O. has been the target of complaint since 1953. Accumulation of foreign parcels went as high as 16,000 parcels per month.

This nightmarish problem was tackled relentlessly and the volume of parcels in deposit decreased considerably. When the present government assumed control of the governmental machinery, all avenues for improvements have been explored and with the collaboration of the Customs Department, improvements have increased and the results are indicated in the chart provided below:—

Year.	Incoming.	Delivered.	Balance.
Opening balance—			
December 1955	3,560	...	...
" 1956	49,332	49,490	3,402
" 1957	68,600	67,363	4,647
" 1958	71,344	70,003	5,988

(V.P. Parcel imports stopped with effect from 1-4-58)

December 1959	74,810	79,602	1,196
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9. *Improvements at G.P.O., Rangoon*.—The G.P.O. handles roughly 100,000 articles each day and it is the pivot of postal activities. Efficiency of service is sometimes judged by the standard offered by it. As such the G.P.O. has always been the centre of attention. Measures for improvements at the G.P.O. have been explored into and all possible means for efficient services are effectively being carried out with the result that—

- (a) delivery of letters and parcel mails are accelerated and payment of Money Orders becomes prompt.
- (b) Mis-direction of letters, errors in sorting, pilferage, etc., have greatly decreased.
- (c) Devotion to duty is properly maintained.



Installation of the radio-te'ephone link between Burma and Japan. Minister U San Nyun holds inauguration conversation with his counterpart in Japan

10. *Magnitude of Business activity.*— Compared to 1939-40 statistics, the letter mail traffic of 1957-58 increased by 20%, while that of 1958-59 rose by 40%. The sale of postage stamps went up to 161% in 1957-58 and 173% in 1958-59.

The statistics are provided as follows:

	1939-40	1957-58	1958-59
	K	K	K
Letter Mails	5,53,16,000	6,71,55,000	7,78,91,200
Sales of postage stamps	35,60,000	93,04,800	97,49,300

11. *Complaint Section at the Postal Directorate.*—To deal effectively with public complaints against postal services, a complaint section was set up headed by an Assistant Director of Posts. He is specially assigned to promptly deal with public grievances against the postal services such as non-delivery or delay in delivery of mails or payment of money orders.

With greater attention directed towards this sector, the number of public complaints has decreased and the services have improved to an appreciable extent.

The following information provides useful data:

Description.	1956-57	1957-58	1958-59
Crimes	...	11	10
Service Complaints	...	446	370
			309

With 530 post offices in operation, the number of complaints per year is considered to be extremely low, and compares favourably with postal administration in that of even the advanced nations.

12. *Foreign Exchange.*—The Post Office permits the family remittances (postal money order) from foreigners residing in Burma. Previous to the introduction of a control scheme, remittances exceeded K 55 millions in 1948:

Rigid control was exercised beginning with 1950 with further tightening in 1957.

The latest figures (1959) indicate a reduction of nearly 49 million kyats as compared to those of 1948. The yearly outflow of foreign exchange through Post Offices is indicated below:

Year.	Remittances. (in lakh)
1948	558
1949	337
1950	176
1951	192
1952	196
1953	218
1954	228
1955	169
1956	132
1957	163
1958	113
1959	61

13. *Rangoon telephone system.*—Rangoon alone has 65 per cent of the total number of telephones in Burma and being the capital city of the Union of Burma, priority was given for the improvement of its telephone service.

Before the arrival of the monsoon, steps were taken to prevent faults by the systematic routine testing of Myoma and South Exchanges and the associated net-works; actual and potential faults were also removed before they could interfere with service.

As the object of the telephone service is to supply satisfactory telephonic communication between one subscriber and another, members of the operating staff were also instructed to do all in their power to enable that end to be achieved. They were also instructed to give uniform courtesy towards all subscribers, be prompt in answering calls and speedy and accurate in making connections and disconnections which were essential to a satisfactory service.

As a result, the efficiency of the Rangoon telephone system has been remarkably increased.

Along with the programme of improvement of the existing Rangoon telephone system, action was also taken for the speedy implementation of the automatic telephone project.

According to the original agreement, signed on November 6, 1954, between the Government of the Union of Burma and the L.M. Ericsson Company, Sweden, 6,000, 2,000 and 300 telephones were to be installed in Main, North and Insein areas respectively costing the Government of Burma K 187.86 lakhs. This project should have been completed on February 7, 1958.

However, the exchange buildings were not ready in time and some other difficulties cropped up, as a result of which the project was not completed even when the Bogyoke Government took over the responsibilities.

This matter was further investigated and it was found that the underground cables had corroded in many places and the lead sheathed overhead cables were also found unsuitable in some localities, due to bites by insects and squirrels.

Immediately, steps were taken to send delegates to Stockholm to review the situation. It was finally agreed by the company that all underground cables would be replaced with double armoured polythene underground plastic cables and all lead sheathed overhead cables would be replaced with polythene sheathed cables giving a guarantee for a period of ten years, without any additional cost to the Government.

This timely action taken by the Bogyoke Government has prevented the loss of large sums of money by the State.

According to the original agreement, the survey of telephone requirements for Rangoon was estimated to meet the demand up to 1960. But as the construction is still incomplete even to-day and the demand has become greater and greater, it is found that in certain areas such as Kamayut,

Goodliffe, Inya-myaing, and Kaba-aye, it has not been able to meet the requirements.

In order to solve these problems a supplementary agreement was signed on September 28, 1959 between the Government of the Union of Burma and the Ericsson Company to add 4,000, 1,000 and 300 telephones in Main, Tamwe and Insein areas respectively at a cost of 87.12 lakhs of kyats and to perform the expansion and replacement works at the same time.

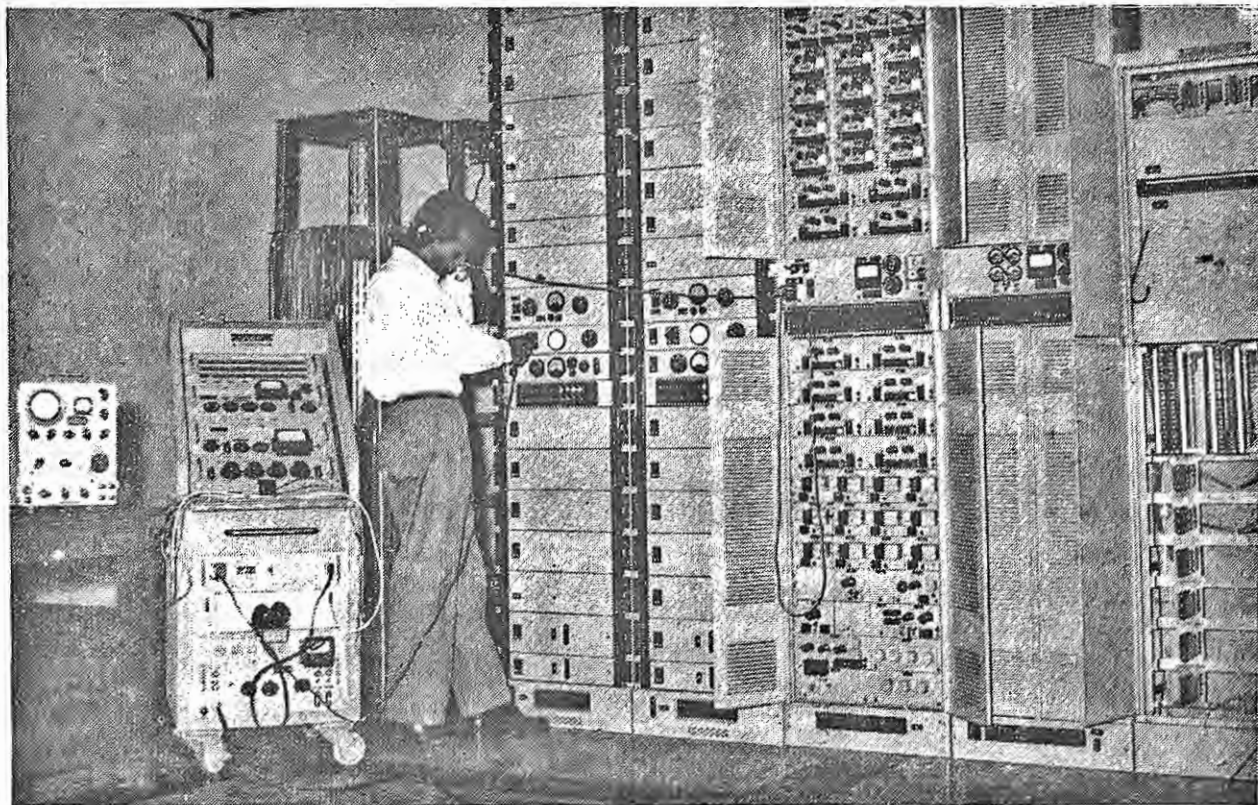
If these two programmes are not done simultaneously it would cost the Burma Government more than the above-mentioned amount and much time and labour would also be involved. According to the new schedule this whole project will be completed by the end of 1960.

Meanwhile, by using the existing lead sheathed cables, the Telecommunications Division has been able to provide automatic telephone service to the public beginning from August 10, 1959, and is gradually

increasing the numbers. South Exchange was closed on January 3, 1960 and Myoma Exchange closed on January 6, 1960. Also it was able to close down the Trunk Board, Regent, and provide a new Trunk system on January 8, 1960. The total number of automatic telephones now installed in Rangoon are as follows:

	<i>Installed.</i>	<i>To be Installed.</i>
Main Exchange—		
(a) Existing subscribers ...	2,790	...
(b) New subscribers ...	1,364	265
North Exchange ...	1,170	...
Insein Exchange ...	167	...
Mingaladon Exchange ...	105	...
PMBX (127) ...	2,388	...

Normally, the annual telephone revenue receipts amount to K 27.63 lakhs but due to switching over to the automatic telephone system and the provision of automatic telephone service to 1,269 new subscribers, K 9.77 lakhs have been collected in addition to the above-mentioned amount.



Equipment for the 9-line telephone and 24-line telegraph system between Rangoon and Mandalay. (Installed Jan. 4, 1960)

14. *Delta UHF/VHF Radio Telephone Scheme.*—Although K 17.36 lakhs worth of stores were purchased from the Radio Corporation of America in July 1955 for this project, nothing has been done up to the time the Bogyoke Government took over the responsibilities. Work was commenced on March 1, 1959 and completed on April 28, 1959. Telephone communication can now be made between the following places, *viz.*, Rangoon, Twante, Maubin, Wakema, Myaungmya and Bassein. Two telephone channels have been provided for Rangoon/Maubin/Bassein and 4 channels for Rangoon/Bassein. This Delta UHF/VHF radio telephone service was opened to the public on June 15, 1959. Pyapon, Kyaiklat, Bogale, Labutta can also be communicated direct from Rangoon; and Henzada, Kyaunggon, Yegyí and Kyonpyaw can be reached from Rangoon *via* Bassein. Because of this scheme the economic situation of the Delta has very much improved and the administration and security arrangements have been made more satisfactory.

15. *Rangoon/Mandalay Carrier Telegraph, Telephone System.*—Line construction for the Rangoon/Mandalay carrier telegraph, telephone system began in August 1958 and was discontinued when the financial year ended in September 30, 1958.

At the end of the financial year the line had been constructed from Rangoon to Pegu in South Burma Division and from Mandalay to Kume in the North Burma Division. When the Bogyoke Government took over the responsibilities, construction was continued again on May 2, 1959, and the line construction for the project completed on September 30, 1959.

The equipment for the carrier scheme was bought from Japan and the Department was able to complete the installation on Independence Day, January 4, 1960.

Communications were opened to the public on the same day.

This scheme provides 3 channels of telephone communication between Rangoon/Toungoo/Mandalay and Rangoon/Meiktila/Mandalay and six telephone channels between Rangoon and Mandalay. It also accommodates 24 telegraph channels.

Teleprinters will be introduced over this system for telegraph messages in the near future and the existing radio telegraph link will be closed down soon. Because of the successful operation of this scheme Lower Burma towns can now be communicated with Upper Burma towns, even right up to Myitkyina.

16. *Construction of land line communications.*—Where there is a Departmental telephone, it must be able to communicate with any other phone in any part of the country. Strictly adhering to this policy, communication lines were erected during the Bogyoke Government, covering over 2,616 miles of wires within a year. This is about four times the amount of work done in any previous year.

17. *Overseas Communications.*—Prior to the Bogyoke Government, overseas telegraph communications could only be made through Colombo and Calcutta, but now due to the establishment of direct links with Bangkok, Shanghai, Osaka and Manila, there is an increase in revenue of K 8 lakhs and a saving in foreign exchange of about K 10 lakhs.

Because of the expansion of the overseas communication system, it was planned to remove the receiving station from 40th Street to Syiam and the transmitting station at 6½ mile to Thingangyun. But the transmitting station could not be moved to Thingangyun, as originally planned, as the site is being used for the establishment of the new town of Okkalapa.

Hence a new site at Togyaungale has been selected for the transmitting station. According to the present programme, shifting of those transmitting and receiving stations to new sites is expected to be completed by April 1960.

Formerly there was only one overseas radio telephone link *via* Poona. During the Bogyoke Government radio telephone links were established with Switzerland and Russia on November 1, 1959. On December 12, 1959, a direct radio telephone link was also established with Japan. Steps have also been taken to obtain telephone communications with other countries *via* Japan and also to get direct links to England and European countries.

18. *Increase of Revenue.*—Due to the progress of work increase in revenues are reflected in the statement below:—

<i>Previous.</i>		<i>Bogyoke's Regime.</i>	
	K		K
1957—		1958—	
November	9,24,921	November	6,91,418
December	6,20,381	December	7,17,220
1958—		1959—	
January	8,19,521	January	7,47,490
February	9,31,372	February	8,34,195
March	6,83,842	March	9,24,463
April	9,16,847	April	9,91,337
May	10,89,196	May	19,40,188
June	9,56,721	June	12,10,435
July	10,74,020	July	12,29,395
August	11,52,288	August	14,71,446
September	11,23,830	September	15,74,529
	<u>98,92,939</u>		<u>1,23,32,116</u>

Total increase in revenue during the eleven months was K 14.39 lakhs and the average increase in revenue per month was one lakh thirty thousand.

19. *Radio Frequency Allocation and Issue of Licenses.*—For a long time private firms, Government Boards, Corporations and Government Departments have been neglecting to observe the rules relating to the possession of radio equipment and the use of assigned frequencies. Equipment were found in possession without licenses and transmissions were made with the

frequencies of their own choice. But when the Bogyoke Government took over the Administration drastic measures were taken for observance of these rules and hence the number of cases in connection with the mis-use of frequency was reduced from 49 to 10 only. There is also a net increase of revenue of K 91,242 collected for commercial radio licenses, dealers licenses and demonstration licenses.

	<i>Dec. 1957 to Nov. 1958.</i>	<i>Dec. 1958 to Nov. 1959.</i>
Commercial licenses ...	571	1,461
Dealer licenses ...	1,229	5,039
Demonstration licenses	1,330	5,872

20. *Inland Telegraph Service.*—The delivery time of telegrams has been extended to 8 p.m. in some major towns, and with effect from February 1959 a round-the-clock delivery system has been introduced in Rangoon, including Sundays.

Because of the systematic and proper control of the Department, telegrams are now being delivered faster and there is practically no complaint regarding any case of late delivery.

II. Union of Burma Airways Board

Since 1956-57 the Board has been operating at a loss and when the Revised Estimated Budget for the year 1958-59 was finalized, it was found that the Board stood to incur a loss of over K 49 lakhs for the year's operations. Although the major portion of the loss was attributable to the Viscount external services, the Board stood to lose on its domestic services also.

The Viscounts had caused a total loss of over K 36 lakhs to the Board and although there was traffic potential between Burma and India, U.B.A. had managed to obtain a fair share of it mainly due to its ability to operate a daily service and also because of the few airlines competing in this sector. On its other schedules to Hongkong and Singapore, the existing traffic had to be

shared with many major airlines and regional operators, thereby resulting in low passenger load factors.

The Board reviewed the operations of the Viscounts and recommended their suspension from service as there was no definite guarantee of an equitable return in the near future to the vast investment that had been made and that will have to be made as in all airline business.

With the concurrence of the Government, Rangoon/Singapore service was suspended with effect from June 22, 1959, and Rangoon/Calcutta and Rangoon/Bangkok/Hongkong services were also suspended from August 28, 1959 and September 20, 1959, respectively. As the domestic services were themselves showing a loss due to the fall in the passenger traffic with the rapid improvements in the surface means of transportation, the Union of Burma Airways was entrusted with the task of cutting its internal losses to the bare minimum and to improve its service to the travelling public.

Enquiries were made as to the market values of the Viscounts and it was found that their sale would entail long negotiations with the prospective buyers and in the meantime there would be increasing maintenance and servicing costs in addition to normal depreciation of the value of the aircraft.

Furthermore the availability of a large number of piston engine transport aircraft in the second-hand aircraft market due to many major airlines changing over to jet airliners has affected the sale price of all types of aircraft throughout the world and it was not an opportune period to dispose of the Viscounts.

Therefore, under the existing circumstances the matter of operating the Viscounts was reconsidered and the decision was reached to operate them only in the region where there was traffic potential.

The Calcutta/Rangoon/Bangkok Daily service was resumed with effect from December 1, 1960. The Rangoon/Chittagong service has been operating by Dakota regularly and in response to the object of the U.B.A. Board to expand its domestic services, the Rangoon/Paan and Rangoon/Namseng services were introduced with effect from March 20, 1959, and November 28, 1959 respectively.

For travellers wishing to explore the Ngapali beach and to spend the day by resting and recuperating after their strenuous daily duties under a wide tropical sky beneath the shady leaves of palm trees and amidst the murmur of gentle sea breezes at the beach, one-day excursion flights to Ngapali (Sandoway) have been introduced on every Sunday with effect from October 25, 1959.

Tea, coffee, accommodation at the P.W.D. Dak Bungalow and transport from the airport to the beach have been provided free of charge and all possible facilities for the holiday makers are also provided. In addition, two officers of the U.B.A. Board are also detailed for duty and sent to the spot in advance to see that nothing is lacking in entertaining the U.B.A. clients.

In order to popularize air travel and to foster air-mindedness, Sunday Joy Flights over Rangoon and its environs have been introduced on Sundays with effect from August 2, 1959 at the fare of K 15 per seat. Duration of these flights is 30 minutes and during the festivities of the Centenary of the founding of Mandalay, such joy flights were arranged for the visitors at the same fare and as it became very popular, an average of four or five flights were operated daily to meet the demands of the visitors.

For the convenience of world tourists and archaeologists to explore the ancient monuments of Pagan, the Civil Aviation Department has been instrumental in building the new airstrip at Nyaung-U,

near Pagan. The airstrip will be completed in the very near future and the U.B.A. is contemplating to add Nyaung-U in its schedule services connecting with Mandalay and Heho.

In order to achieve a great saving to the country in the long run, various improvements have been effected in all the Board's Departments. In the Accounts Department, the existing four years back-log of unfinalized accounts had been tackled with a series of target dates for completion and these tasks have been met, and as such the 1954-55 (Revised) Accounts, 1955-56 Accounts, 1956-57 Accounts, and 1957-58 Accounts have now been completed within one year of General Ne Win Government's tenure.

As in all airline business the need for budget control and an accounts code suited to implement this is absolutely necessary and as plans were made ahead to effect this with the start of the new financial year in October, monthly Budget estimates and actual Receipts and Expenditure accounts were able to be drawn regularly.

The 1958-59 Accounts were also finalized and put up for the Board's approval. Various Government Ministries and Departments had failed to meet their obligations to the Board and at the beginning of General Ne Win's Government the total outstanding unsettled debts, which were due to the Board, was about K 46 lakhs. A determined effort was made by the U.B.A. to collect these debts and at the present moment about K 18.87 lakhs have been realized.

A thorough examination and review of the existing accounts organization and procedures was made and the existing set-up was replaced with a more compact and efficient one and some of the existing procedures and methods were streamlined by doing away with duplication and redundant work.

In the Engineering Department, action has been taken to set up an approved inspection organization so that aircraft overhauls can be undertaken in Burma. In order to achieve the above, the stores were reorganized on a thoroughly efficient and systematic basis and procedures were adopted on recognized and accepted principles. It is worthy to note that checks I and II on Viscount aircraft can now be undertaken at the U.B.A.'s own Engineering Department.

Of the three Dove aircraft owned by U.B.A., one has already been completely overhauled and air-tested, and has replaced the Dakota on some of the shorter domestic routes where the traffic is very low and the route extremely uneconomical to be operated by the larger aircraft. The other two Doves will be ready soon for flight. It is planned to dispose off these aircraft in the near future.

On the traffic side, the traffic handling at the airport has been reorganized and the schedule departure times have been staggered so that most of the flights are departing punctually. The duties of each Traffic Staff has been carefully analysed and proper allocation of duties and responsibilities has been effected by issuing necessary orders and instructions.

Traffic Officers and Assistants have been detailed to attend classes on Public Relations conducted by the Defence Services Psychology Directorate. The standard of cabin service has improved markedly as attested by the letters of appreciation from the travelling public. All complaints and suggestions are dealt with immediately by the Management.

The future plans of the Board is to concentrate on improving the domestic services and to maintain the paying external services and to operate them as economically as possible. As air transportation is always a more expensive means of travel on short journeys as compared to travel by rail, road

or river, the return to normal conditions in Burma and the improvement of the existing means of surface transportation will make the Board's problem of balancing its expenditure and revenue extremely difficult.

Nevertheless, the cost structure is being studied very thoroughly so that economy can be exercised wherever possible and even if losses cannot be avoided they will be at the lowest minimum.

III. Inland Water Transport Board

The Inland Water Transport Board is an organization which plays a major role in the economic development and prosperity of the Union which is of vital importance to her people. At present there are 700 craft, both powered and dumb, with a total tonnage of 128,883. The Board operates 50 services for transportation of cargo and passengers. In addition, there are also services for the transportation of rice, oil and cement. The passenger fleet covers 5,293 miles. During the year 1958-59 the number of passengers carried amounted to 4,739,246 and the total tonnage of cargo carried by passenger and cargo vessels was 1,127,961 tons.

The Inland Water Transport Board has been given the additional task of operating the Arakan Section as from May 1, 1959. The activities of the Arakan Section are shown separately.

The total value of the present fleet and buildings of the Board is K 18,64,26,900.66 and the value of stores is K 1,15,03,963.86. The total assets therefore come up to about 20 crores.

Although this Board has to operate with such assets towards the economic development of the country, its working has been very much impaired. The Bogyoke Government took over the control of this Board as from January 14, 1959, and

paved the way for the progress of trade, improvement in efficiency and moral uplift of the employees.

By going through the report contained in the following paragraphs it will clearly be seen that during the Bogyoke Government, the various transactions of the Board have gained momentum for further development.

(1) *Organization and Management.*—Inland Water Transport is managed by a Board, the Chairman of which, in his capacity as such, decides on the policies of the Board. The entire organization is managed by a Commissioner, with two Deputy Commissioners one of whom is in charge of Commerce and the other in charge of Transportation. They are responsible to the Commissioner. There are nine departments, the main functions of which may be classified as transportation, repair and erection of craft and administration.

In the Transportation Branch there are Traffic, Launches, CB and Lighterage Departments and the Arakan Section.

Departments covering Engineering, Marine and Dockyards and also Dalla Dockyard, Rangoon Foundry, Mandalay Dockyard, Moulmein Dockyard and Akyab Dockyard are included in the Section for Repair and Erection of Craft.

In the Administration side there are Personnel and Welfare, Accounts, Statistics, Civil Engineering and Administration and General Departments.

During the regime of the Bogyoke Government, speedy corrective measures were taken to overcome indiscipline, inefficiency and lack of interest on the part of the Staff, with the result that there has been much improvement. With the impetus thus gained, there should be continued effort for further improvement.

(2) *Plans and Budget Estimates.*—Realistic budget estimates have been made possible now by the drawing up of annual

programmes and long-term plans. The necessary statistics to enable the preparation of plans and budgets on past experience have also been compiled. All this has led to proper control by the Management and Departmental Heads with the result that the financial position and activities of the Board have improved.

(3) *Finance*.—It will be seen that from 1955-56 the financial position of the Board had started to dwindle gradually. The following graphs will show the expenditure and income of the Board from 1947-48.

The business of the Board for the year 1958-59 came under the active control of the Bogyoke Government only from 14th January 1959. The graphs below compare the results achieved with that of 1957-58.

In going through the graphs an increase of K 29 lakhs is seen on the Income side, and a decrease of K 39 lakhs on the Expenditure Side. If attention is paid to the eight-month period under Bogyoke Government it will be seen that the total increase of income of K 29 lakhs in the year was actually made during those eight months. On the expenditure side also a saving of K 39 lakhs was made during that eight-month period. Hence, it may be said that the Board's finances benefited to the extent of K 68 lakhs during the period.

The progress in the financial position of the Board is mainly attributable to drawing up of working plans, proper re-organization, proper assignment of responsibilities and duties, special care taken for co-ordination within the Board, as well as with other agencies, and enforcing exact duties of management and control. Because of such actions proper management is obtained, and the moral aspects and union-mindedness of the Board's employees have developed and matured. It is also felt that many of the Board's employees are afraid that such a high standard may degenerate in the future.

(4) *Position of Services*.—The principal function the Board is to carry passengers and cargo in time. In the case of such transportation there are two major distinct categories. The first is to carry passengers and cargo together in passenger craft and the second is to transport cargo only, for which barges of all types are towed by power craft.

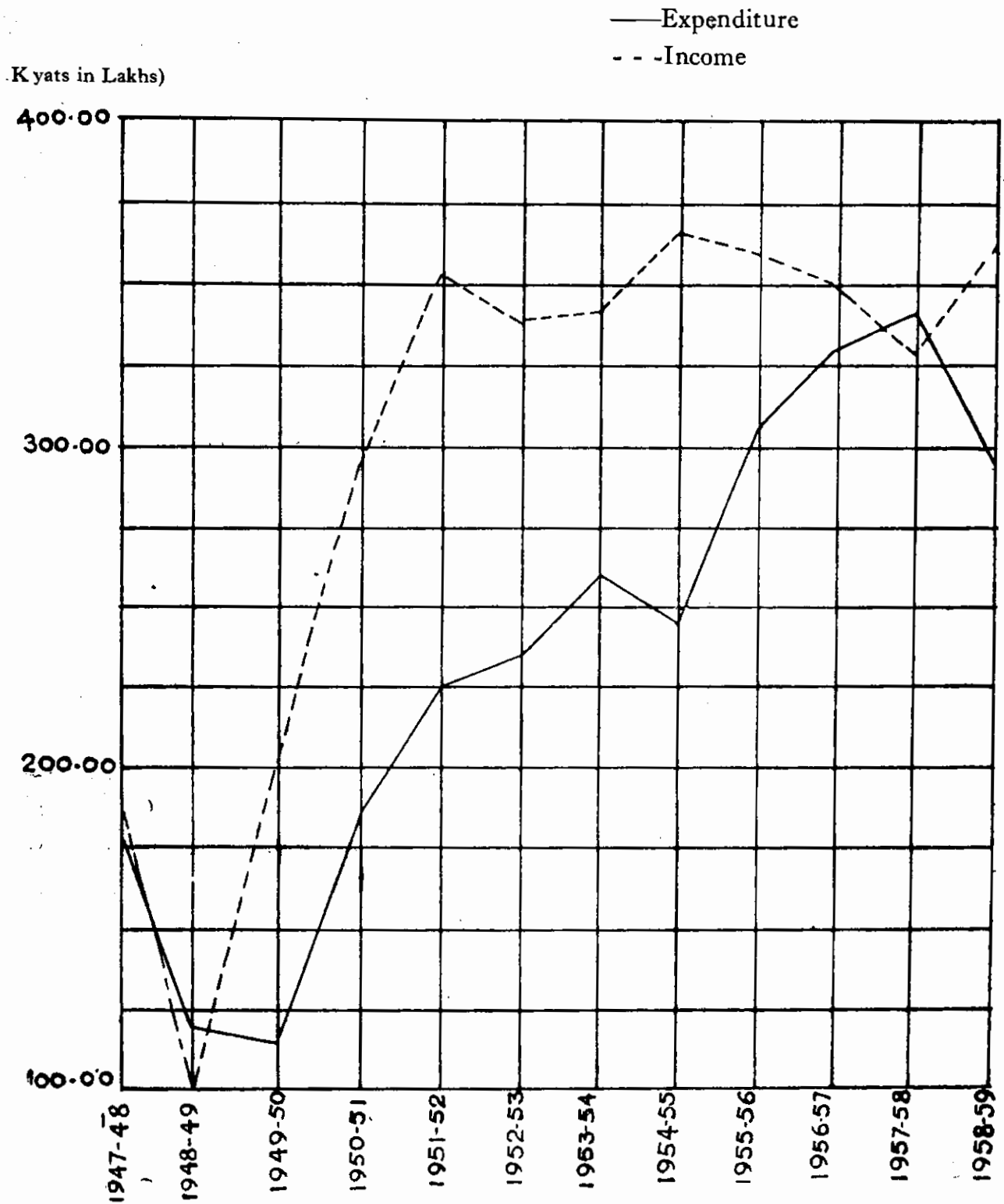
The following table shows the comparative Statement of passenger services for 1957-58 and 1958-59.

The Comparative Table for Services

S.No.	Month.	Decrease ... 39.04 lakhs	
		1957-58 Services.	1958-59 Services.
1.	October	... 49	50
2.	November	... 48	50
3.	December	... 49	44
4.	January	... 49	44
5.	February	... 49	44
6.	March	... 49	44
7.	April	... 49	45
8.	May	... 50	45
9.	June	... 49	46
10.	July	... 49	49
11.	August	... 47	49
12.	September	... 48	50
Total		... 585	560

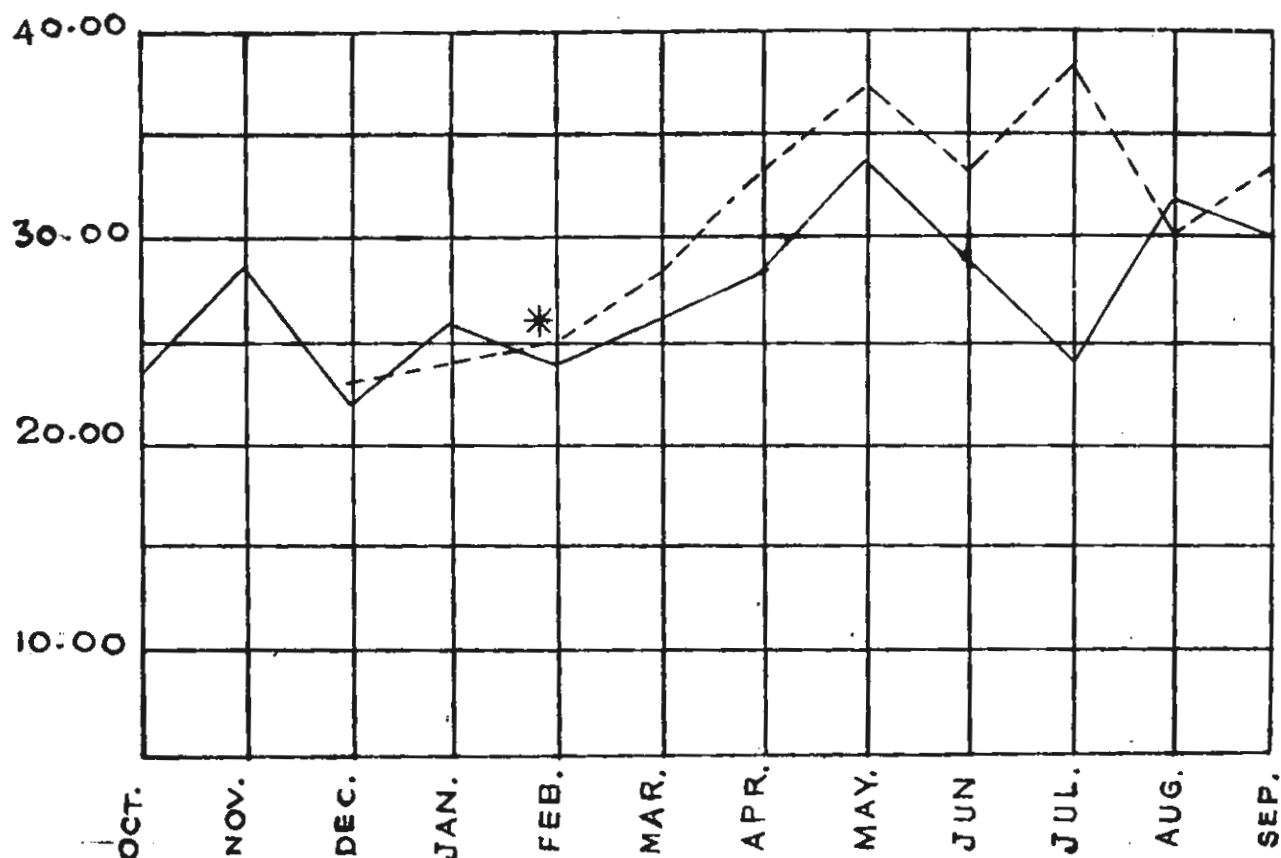
According to the above table services were reduced during 1958-59. The reason for this is that previously craft were not docked on due dates, so there was an increased number of craft docked during 1958-59. Although services were reduced, income was more than that of 1957-58. Besides, certain services were found to overlap and were curtailed.

Graph showing Income and Expenditure from 1947-48 to 1958-59



Comparative Statement of Income for the years 1957-58 and 1958-59

(Kyats in Lakhs)



— 1957-58
 - - - 1958-59

* Shows the month Bogyoke Government started to control.

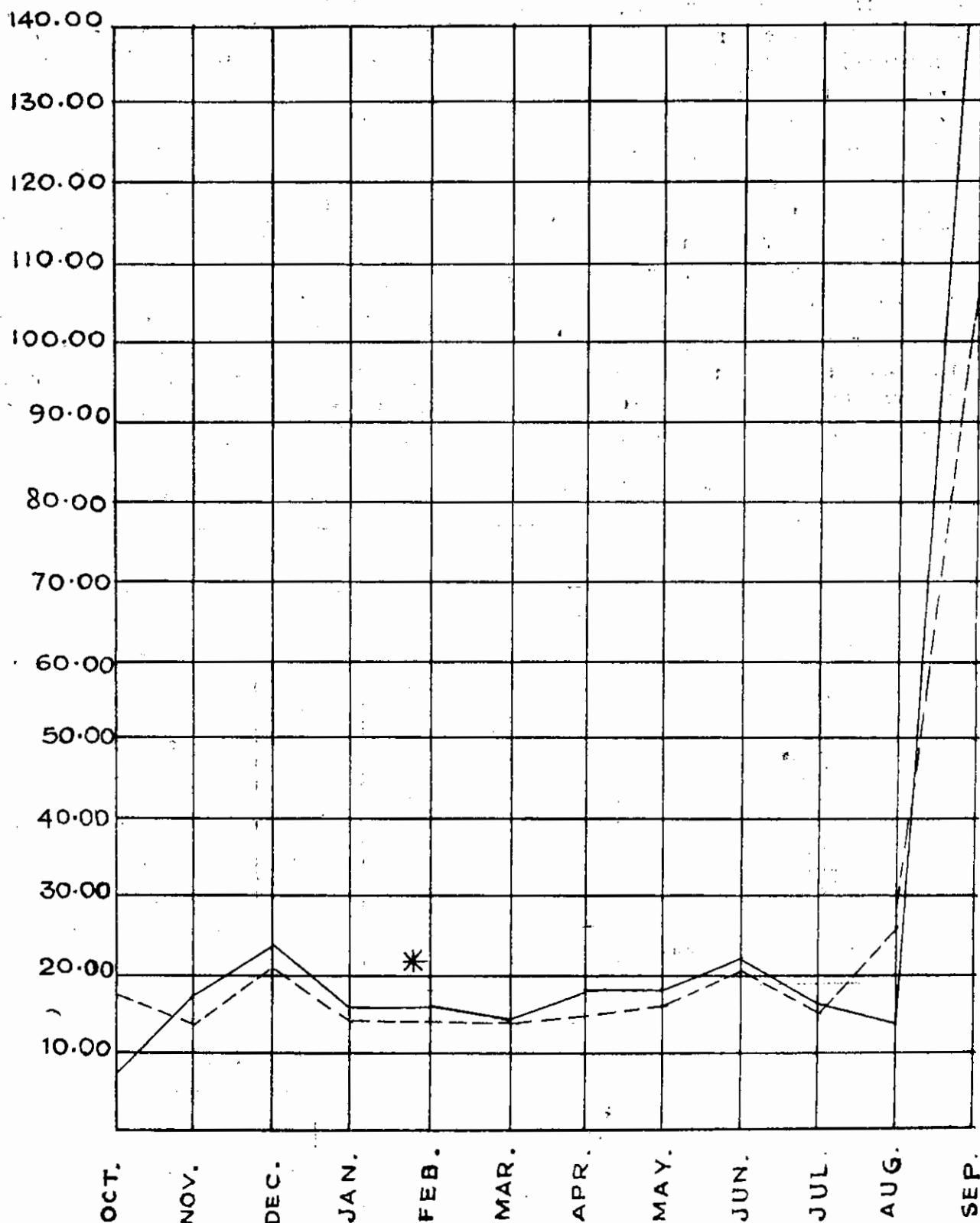
Income for 1958-59	...	362.46 lakhs
Income for 1957-58	...	333.77 lakhs
Increase	...	<u>28.69 lakhs</u>

Comparative Statement showing Expenditure for the years 1957-58 and 1958-59

— 1957-58

- - 1958-59

(Kyats in Lakhs)



* Shows the month Bogyoke Government started to control.

Expenditure for 1957-58 ... 337.25 lakhs

Expenditure for 1958-59 ... 298.21 lakhs

Decrease ... 39.04 lakhs

More attention was paid to cleanliness of passenger craft, essential items were furnished, and cordial relationship maintained between the personnel of the craft and agencies on one side and passengers and traders on the other side. Consequently, more passengers and cargo were transported in 1958-59 as compared with 1957-58. Increase in passenger traffic can be seen from the fact that the figure for 1958-59 shows 4,739,246 as against 4,306,283 for 1957-58. There was an increase of 432,963 passengers in 1958-59 over that of 1957-58. Particulars of increased transport of cargo is shown in the paragraph relating to cargo vessels.

As regards transportation of cargo, particular mention must be made on the transportation of rice and rice products of the SAMB, cement in bags from Burma

Cement Company, petrol and petroleum products of the BOC and occasional charter of barges.

These items of work have contributed to nearly half the income of the Board. In this connection, improvement in the management as mentioned previously was responsible for the increase in tonnage over last year. The total tonnage carried in 1957-58 was 966,317 tons as compared with 1,127,961 tons in 1958-59. An increase of 161,644 tons was effected in 1958-59 over that of 1957-58. Particular attention is drawn to the transport of crude oil and cement which can be seen from the following table showing the increase made during the year, over that of the previous year. All these increases were effected during the eight month period of the Bogyoke Government.

Table showing Lift for Crude Oil Petroleum and Kerosene

Month	1957-58		1958-59	
	Tonnage	Freight	Tonnage	Freight
October ...	21,692	572,468.87	30,558	707,747.50
November ...	21,672	574,696.94	29,535	710,245.87
December ...	20,095	534,151.03	22,441	560,855.57
January ...	21,165	570,138.77	25,217	619,005.72
February ...	21,093	549,728.51	18,417	459,517.86
March ...	20,506	534,349.28	24,364	627,172.34
April ...	25,961	662,547.59	26,509	687,279.60
May ...	35,600	874,622.81	36,864	940,655.61
June ...	28,175	728,797.66	33,121	819,462.16
July ...	26,508	653,466.21	44,573	1,075,119.90
August ...	38,076	944,650.58	31,518	729,600.36
September ...	33,023	857,801.79	40,038	956,418.70
Total ...	313,566	8,057,420.04	363,155	8,893,081.19

		Tonnage	Freight
1958-59	...	363,155	8,893,081.19
1957-58	...	313,566	8,057,420.04
Increase	...	+49,589	+835,661.15

Table showing Lift for Rice and Rice Products

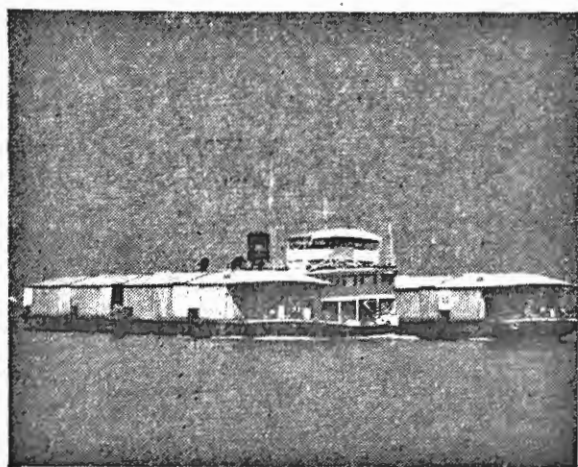
Month			1957-1958		1958-1959	
			Tonnage	Freight	Tonnage	Freight
October	...	...	21,388	187,175.50	28,476	277,600.50
November	...	...	29,561	304,520.60	14,843	211,782.60
December	...	...	15,081	199,799.50	13,627	151,367.50
January	...	...	23,585	298,022.47	14,556	158,024.65
February	...	...	22,275	296,212.28	26,478	385,295.25
March	...	...	36,266	375,838.10	35,336	398,251.00
April	...	...	34,937	422,529.50	40,067	497,480.00
May	...	...	43,536	504,622.75	44,587	505,822.44
June	...	...	28,534	233,071.50	30,391	494,092.28
July	...	...	20,458	233,322.40	45,350	643,975.26
August	...	...	30,100	389,735.00	38,202	585,433.36
September	...	...	21,752	371,947.00	52,546	622,913.00
Total	...	...	332,473	3,816,796.60	384,096	4,923,037.84

		Tonnage	Freight
1958-59	...	384,099	4,923,037.84
1957-58	...	332,743	3,816,796.60
Increase	..	51,626	1,106,241.24

Table showing Cement Lift

Month			1957-1958		1958-1959	
			Tonnage	Freight	Tonnage	Freight
October	...	...	1,050	36,260.04	3,421	117,240.64
November	...	...	...	...	2,690	92,894.74
December	...	...	...	...	2,585	85,691.20
January	...	...	...	...	1,490	46,078.72
February	...	...	...	...	1,015	34,752.64
March	...	...	...	...	1,250	38,985.28
April	...	...	...	...	2,625	85,220.99
May	...	...	...	...	1,135	35,241.20
June	...	...	350	11,564.01	1,978	62,525.24
July	...	...	400	13,813.34	2,521	87,423.50
August	...	...	2,802	96,779.16	1,120	38,677.34
September	...	...	2,115	72,936.89	1,885	65,095.34
Total	...	...	6,717	231,353.44	23,715	789,726.83

		Tonnage	Freight
1958-59	...	23,715	789,826.83
1957-58	...	6,717	231,353.44
Increase	...	16,998	558,473.39



Rangoon-Mandalay IWT passenger-cargo service

(5) *Reduction in Freight.*—The Bogyoke Government, with a view to bringing down the prices of commodities and for the relief of the people in the Union, made a 25% reduction in freight with effect from the 1st January 1959 on 35 items of essential consumer goods. These reductions which brought relief to the public did not adversely affect the earnings of the Board.

Reduction was made on the following 35 commodities:—

- (1) Salt.
- (2) Coconuts and other native fruits.
- (3) Ice.
- (4) Soap (indigenous).
- (5) Sugarcane.
- (6) Tamarind.
- (7) Charcoal.
- (8) Grains (Unclassified).
- (9) Sugar.
- (10) Oil.
- (11) Onion.
- (12) Candy.
- (13) Jaggery.
- (14) Tobacco Leaves.
- (15) Wheat.
- (16) Soap (Foreign).
- (17) Saffron.
- (18) Perishable Goods (Vegetables).
- (19) Groundnut.
- (20) Groundnut seeds.

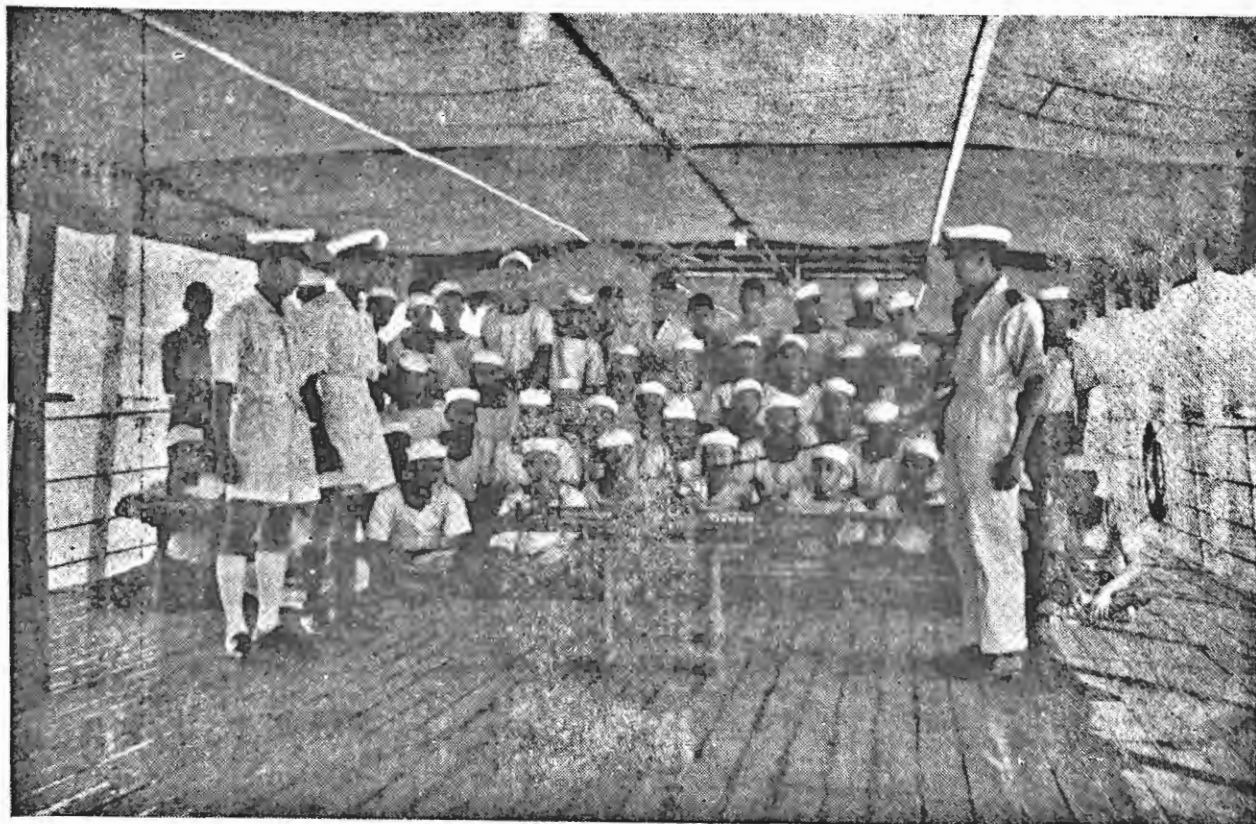
- (21) Dried Fish.
- (22) *Ngapi* and *Ngapi*-water in pots.
- (23) Cigar Leaves, Betel Nut Palm Leaves and Corn Leaves.
- (24) Vermicelli.
- (25) Tinned Milk.
- (26) Eggs.
- (27) Fish.
- (28) Chilli (Dried and Green).
- (29) Wet Tea.
- (30) Dry Tea.
- (31) Betel Nuts.
- (32) *Ngapi*.
- (33) *Ngapi*-water.
- (34) Peas.
- (35) Cattle (except Horse).

(6) *Training Programme.*—To obtain sufficient number of skilled personnel is a very important need for the successful operation of the Board's activities. To achieve that purpose, the following classes were opened:—

- (1) Crews Training Class.
- (2) Diesel Training Centre.
- (3) Marine Cadets.
- (4) Trade Apprentices.
- (5) Training Mechanics.

Out of the above mentioned 5 classes, the Diesel Training Centre is the most important and effective one. It was opened under the auspices of the ILO at Dallah Dockyard in 1955-56. This Centre provides training facilities for the countries of South and Southeast Asia, and students from these countries attend the Centre.

Theoretical and practical instructions are given on diesel machines. Much interest has been shown in the Centre and 45 students are attending the class for the present year showing an increase of 19 students over 1957-58. Out of the 45 trainees 38 are from various departments of the Union Government and only 7 are from foreign countries. It has been planned for the Union Government to take over the Centre with effect from 1961.



IWT training classes in riverine navigation

(7) *Economy in Board's Expenditure.*—Expenditure in the dockyards and consumption of oil by craft form the largest items of expenditure of the Board. The following savings in expenditure were made on the above-mentioned two items during Bogyoke's Government because of the re-organization in management already mentioned.

Expenditure of Dockyards

			(Kyat)
1957-58	...	...	120.81 lakhs
1958-59	...	...	96.45 lakhs
Saving in Expenditure	...		<u>24.36 lakhs</u>

Expenditure in the Issue of Oil and Firewood to Vessels

1957-58	...	...	82.27 lakhs
1958-59	...	...	69.68 lakhs
Saving in Expenditure	...		<u>12.59 lakhs</u>

Particular mention is made of the issue of oil during a period of 6 months under the Bogyoke Government where a saving

of over K 12 lakhs was made after actual rates of consumption were worked out and issued. The above-mentioned 6 months' period commenced only from April 1959 after actual required amounts of oil were calculated and issued.

Although expenditure in dockyards has been reduced, docking and undocking of craft show increases as shown below:—

Docking

	1957-58	1958-59	Increased No. of craft docked.
Number of Craft ...	298	334	36

Undocking

	1957-58	1958-59	Increased No. of craft undocked.
Number of Craft ...	300	327	27

(8) *Activities of Arakan Section.*—Formerly transport in Arakan was under the charge of UBSB, but with effect from the 1st May 1959, IWTB has taken over

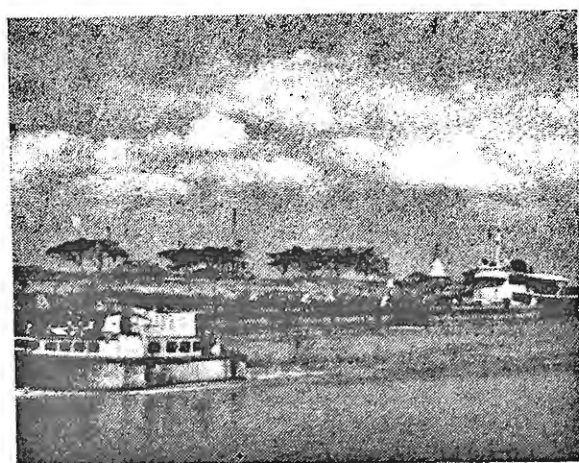
the job. The present position shows that there are altogether 48 numbers of craft, including both powered and dumb. Out of that only 25 craft can be used and the rest are out of commission. At present 9 services are being operated. However, the following statements will show that during the Bogyoke Government improvements have been made in various branches.

Comparative Statement of Income

	K
Total income during financial year 1958-59	22,05,799.44
Total income during financial year 1957-58	20,61,652.11
Increase +	1,44,147.33

Comparative Statement in Transportation

Passengers from May to December 1959	- 190,543
Passengers from May to December 1958	- 141,607
Increased number of passengers	+ 48,936
Cargo Tonnage from May to December 1959	7,734
Cargo Tonnage from May to December 1958	6,958
Increased Tonnage	+ 776



In background is an IWT oil tanker proceeding to Syriam from Chauk

(9) *Expansion Programme.*—Although there was sufficient strength of craft to operate 225 million ton-miles by IFCL before the Second World War, with the present strength of the fleet we can operate about 150 million ton-miles. The following table will show that attempts have been made to supplement the present strength of the fleet by purchasing more craft and rehabilitating the dockyards:

For IWT Board

S.No.	Types.	No. of craft.	Remarks.
1. Sternwheeler double deckers	4	ICA Loan.
2. River Conservancy Craft	1	Do.
3. Oil Barge	1	Do.
4. Water Tenders	2	Do.
5. Pusher Tug	1	Do.
6. Pusher Barges	4	Do.
7. Chindwin Barges	20	Do.
8. Sternwheeler Single Deckers	2	Do.
9. Harbour Tug	1	Do.
10. Floating Dock	1	Do.
11. Spares for Engines

For Arakan Section

1. Tugs	2	Japanese Re-paration.
2. Flats	15	ICA Loan
3. Passenger Launches	3	Do.
4. Tugs	2	Do.
Total	59	

DOCKYARDS

For IWT Board—

- (1) Rehabilitation of Dallah Dockyard.
- (2) Rehabilitation of Rangoon Foundry.

For Arakan Section—

- (1) Rehabilitation of Akyab Dockyard.

The following financial provisions have been made towards expenditure for the afore-mentioned craft and dockyards.

<i>Projects.</i>	<i>I.C.A. loan. \$</i>	<i>I.C.A. loans. K</i>	<i>Others. K</i>
(1) <i>For IWTB—</i>			
Craft ...	4,639,000	80,40,000	...
Dockyards	511,000	25,97,000	...
(2) <i>For Arakan Section—</i>			
Craft ...	1,176,000	10,32,000	6,08,000 (Japanese Repara- tions)
Design for Dockyards Akyab Dock- yards Re- construction	149,000	...	...
	...	...	40,00,000 (Under Govern- ment Loan).

Arrangements have been made for completion of the works shown in the above table by December 1961. For the present, Government has approved the selection of tenders towards purchase of 37 new craft under ICA Loan for the IWTB.

Two tugs under Japanese Reparations are being constructed in Japan for the Arakan Section.

As regards the remaining projects, in some cases tenders have been received and scrutinized and in other cases arrangements are being made to invite tenders.

When the above-mentioned new craft are duly completed and delivered the total carrying strength of the fleet will be enhanced to 170 million ton-miles.

Regarding income, an estimate of an additional K 40 lakhs has been forecast.

(10) *IWT Education Committee.*—This Committee was formed on December 1, 1959, with the Commissioner and Departmental Heads participating. The object is to expand knowledge with regard to the workings of the IWT, to enhance the intelligence of employees, to render social services for the welfare of the public, to better the economic situation, to solidify and uplift character, to guide in accordance with policy, rules and regulations, to study and improve working systems, reporting and research.



Diesel Training Centre at the Dalla Dockyard

The present work of the Committee entails the Heads of Departments carrying on research work of their respective Departments and lecturing in turn. Such lectures not only improve departmental knowledge but also promote efficiency in the discharge of duties. In addition, the Committee members visit the Dockyards and Workshops to make a study from time to time. It has also been planned to have mutual exchange of knowledge with other Government Departments. Meanwhile, the Committee has been formed with the Commissioner and those with the status of Assistant Commissioners only, but later on, Officers below the status of Assistant Commissioners will be asked to form such Committees and to carry on the aims and objects as outlined above.

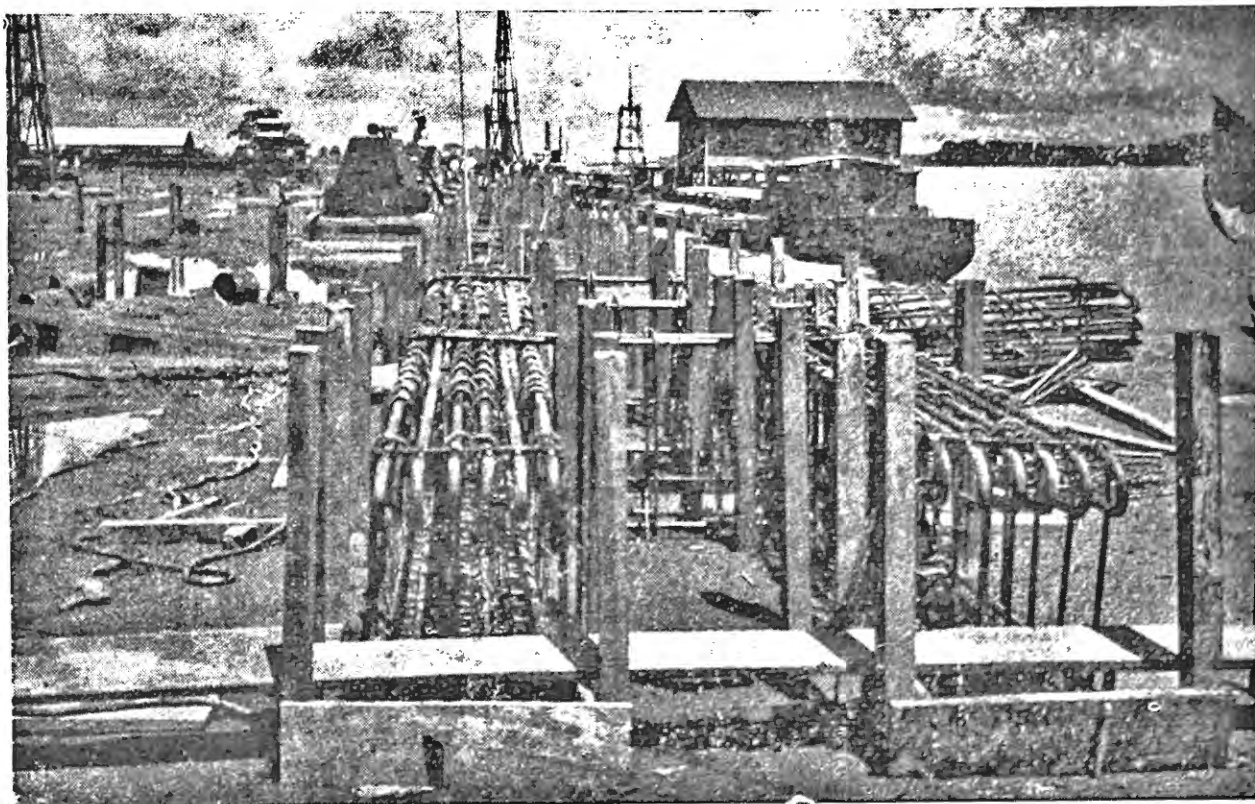
By forming such Committees, the employees of the Board will not only acquaint themselves with the working of their respective Departments, but also have an opportunity to learn the working

of the IWT Organization as a whole. Thus, the staff will be able to carry out their duties without difficulty and in a smooth manner.

(11) *Conclusion.*—The above statements taken as a whole will clearly show that during the period of the Bogyoke Government, various activities of the Board have actually succeeded as will be seen from references shown above. Actually, progressive works have only been made from the month of February 1959, during the financial year 1958-59.

It is now necessary to examine how it was possible to achieve such results in such a short time. The principal factors have been the establishment of proper methods, the faithful adherence to such methods, improving the inherent qualities of the Board's personnel, opening up of privileges, and good relationship with those in the lower levels of the service.

If such ideals are borne in mind in the planning, management and execution of



Heavy mild steel reinforcement for 10-ton steam derrick crane runaway on the Sittang Bridge railway project

the Boards functions in the days to come, it is absolutely certain that the Board will go from strength to strength.

IV. Burma Railways

With the assumption of power by the Government of General Ne Win in October 1958, security conditions in the country took a sudden turn for the better, which enabled the Railways to go ahead with their plans for improvement. On January 1, 1959, night running was introduced on the Rangoon-Mandalay main line by the running of fast passenger and goods trains in addition to the day-light services.

In the past, the restriction against night running meant that every locomotive, goods wagon and passenger coach was idle for approximately 12 hours out of a 24-hour day. By being able to operate by night as well as by day, the turn-round of rolling stock on which depends the life-blood of rail transport, has been more than doubled and this has led to considerable savings.

Just as improvements were achieved on the main line, so also were improvements effected on the branch lines. For instance, by March 1, 1959, the journey between Rangoon and Bassein or Kyangin could be completed in one day, and the one through-service on the Rangoon-Martaban sector was increased to two with effect from June 21, 1959.

In the re-timing of trains the less spectacular goods trains were not forgotten, and under the new timings, the fast goods service was doing the Mandalay/Rangoon run in 23 hours instead of 2 days previously. Similarly, the Van Goods service which caters for small traffic, and is the "work horse" of the system was also re-scheduled to complete its journey in half the previous running time. Other goods services were also accelerated.

(1) *Punctuality of Trains and Accidents.*—The average percentage of important through trains on the mainline and branch

lines not losing time during the 12 months preceding November 1959, before the new schedules took effect, was only 11.35 per cent whereas the average in November and December 1959 has come up to 57.96 per cent. Every effort is being made to attain further improvements.

During the immediate post-war years, the Administration was beset with far too many accidents resulting either from careless working of the staff at lower levels, or due to lack of experience and knowledge. This problem is being tackled energetically by the re-orientation, and training of staff.

(2) *Improvement in Operating Efficiency.*—The following statistics will illustrate the greater amount of work done and improved operating efficiency achieved during 1959 which is attributed to better working conditions and tightening up of discipline in all levels of the Administration:—

	1957-58	1958-59
(1) Total Passenger and Mixed Train Miles	2,668,488	3,302,659
(2) Total Goods Train Miles	1,454,909	1,576,759
(3) Total Goods Ton Miles	385,803,000	431,498,000
(4) Loaded Wagon Miles	41,934,732	45,857,140
(5) Train Miles per Train Hour	10.09	11.19
(6) Train Miles per Engine Hour	5.62	5.84
(7) Wagon Miles per Train Hour	365.64	374.98
(8) Wagon Hour Miles per Engine Hour	185.42	195.70
(9) Average Load of Wagon (Tons)	8.11	9.1
(10) Average Train Load (Net Tons)	170.2	195.6
(11) Net Ton Miles per Wagon Day (in terms of 4-wheelers)	80.1	85.4

The results for October 1959 as compared to October 1958 are as follows:—

	October 1958	October 1959
(1) Wagon Miles per Wagon Day	11.65	12.55
(2) Net Ton Miles per Wagon Day	60.00	69.30
(3) Net Ton Miles per Train Engine Hour	509.53	600.00
(4) Vehicle Miles per Vehicle Day	60.93	79.60

The operating ratio which is being recognized as the correct index of the financial condition, has also dropped from 89 per cent in 1957-58 to 77.73 per cent in 1958-59. The drop indicates a striking proof of more economical and efficient working of the Burma Railways during the year.

(3) *Increase in Traffic and Earnings.*— The gross earnings of the Railways for the year 1958-59 compared to the year 1957-58 is as tabulated below:—

		1957-58	1958-59	Increase.
Coaching	...	3,71,40	4,46,52	75,42
Goods	...	5,18,23	5,77,36	59,13
Sundries	...	10,47	18,58	8,11
		<u>9,00,10</u>	<u>10,42,76</u>	<u>1,42,66</u>

(Figures in thousand of kyats.)

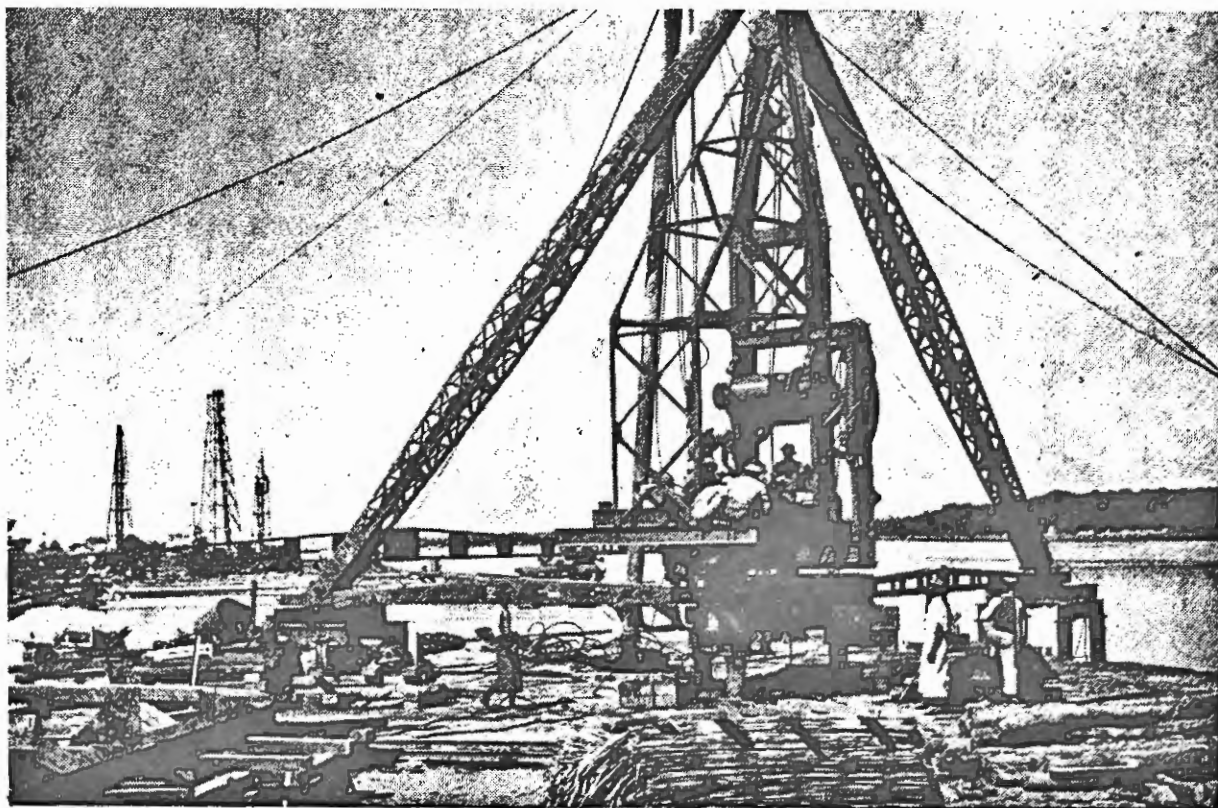
The above figures speak for themselves. The gross earnings of nearly Kyats 10½ crores is a record figure at all times for the Burma Railways up to date, the increase

being noticeable on all sides, Coaching, Goods and Sundries.

Passenger traffic had been rising from year to year but the margin of increase in this instance was above normal expectations. The total number of passengers carried rose by 6 millions over the previous year to reach 33 millions which again is an all time high figure.

The vast improvement in security conditions in the country, improved passenger services and the success achieved by the Ok-Aw Committee in instilling discipline among passengers as well as Railway staff are responsible for producing such record figures.

The general rise of productivity in the country and the improvement in goods train operated enabled the total tonnage of goods carried during 1958-59 to reach the 3 million mark, the highest in the post-war period.



10-ton Diesel-driven derrick crane being erected at Sittang Bridge railway project

Now that insurgent activities have greatly abated, conditions requisite for the return of public confidence in rail transport, *viz.*, security and speedy conveyance of goods entrusted could be fulfilled more and more.

Another cause for increased railings of goods was the reduction of freight on certain commodities in connection with Government's drive to bring down the cost of living. Goods traffic expressed in ton miles during 1958-59 was 431 millions as compared to 386 millions in 1957-58 while the average lead of goods traffic also improved from 139.4 miles to 144 miles.

The trend of increasing earnings has continued into the present financial year and the results of the first quarter 1959-60 as compared to the same quarter of 1958-59 and 1957-58 are as shown below:—

	Oct. 1957 to Dec. 1958	Oct. 1958 to Dec. 1959	Oct. 1959 to Dec. 1960*
Coaching ...	88,34	1,03,97	1,25,38
Goods ...	1,20,88	1,19,33	1,31,87
Sundries ...	1,99	3,76	3,65
	<u>2,11,21</u>	<u>2,27,06</u>	<u>2,60,90</u>

(Figures in thousands of kyats.)

* December figures are approximate.

(4) Goods Traffic-Freight Reduction.—

An important measure which has proved generally beneficial to the Railways as well as to the country was the reduction of freight rates by 20%, effective from January 1, 1959, on 31 commodities which include agricultural produce, agricultural implements, live stock and food items.

Later a 30% reduction was allowed on chillies, onions and garlic. This step was taken as a part of the Government's drive to bring down the cost of living, but the commodities affected proved sensitive to the reduction of rail freight and their increased railings have benefited railway revenues also.

The success of this measure has prompted the experiment to be extended to two other

commodities, *viz.*, *thanatphet* and indigenous dried and pickled tea, the traffic in which, was entirely lost to the road. The effect of this rate reduction is being closely watched.

Two other measures taken during 1959 to foster goods traffic were the re-opening of the Taunggyi out-agency for parcels and goods and the resumption of through booking of parcels and goods over the Tharrawaw-Henzada Ferry.

Out-agencies can be viewed as an attempt at transport co-ordination and the successful extension of this scheme to other areas in course of time could greatly assist in the implementation of the Government's policy of transport co-ordination.

(5) *Development of Rangoon Suburban Traffic.*—The year 1959 also witnessed a phenomenal increase of passenger traffic in the Rangoon suburban area. The dismantling of hutments and the resettlement of the residents in the new satellite towns of Okkalapa and Thaketa presented a problem of cheap transport for them from their new homes to the work sites in the city.

Accordingly the construction of the Rangoon Circular Railway, which had been in the planning stage, was tackled energetically. The construction of additional 3.7 miles of new line and 4 new stations was completed within 4 months, and the line was opened to traffic on May, 1959. An intensified train service was introduced from that date.

About 8 Diesel Rail Car Sets each containing 3 cars had been ordered from West Germany and during the period under review all the 8 sets were received. Due to their system of arrival in 3 groups, only 5 sets are now in commission with 2 more to be ready by the first week in February. The rail-car sets have proved to be a great boon to the Operating Department.

The following table illustrates the spectacular growth of suburban passenger traffic during the financial year 1958-59 when compared with the previous year.

Year.		No. of Passengers.	Earnings. K
1957-58	...	12,102,000	20,41,000
1958-59	...	16,782,000	31,19,000
Increase	...	<u>4,680,000</u>	<u>10,78,000</u>

(6) *Staff Discipline and Public Relations.*—The underlying cause of the vast improvement in discipline of the staff was the change in policy towards the Trade Unions which have now been transformed into Service Unions without political affiliations.

The change not only strengthened the hands of the authorities responsible for maintaining discipline but had also uplifted the morale of the staff.

The clear and impartial assertion of established authority, rules and regulations have enabled the staff of all ranks to feel more confident and secure. The drive for a greater output and a higher standard of work would not have been possible without this reassured atmosphere. The rights of the rank and file are, however, not to be denied and Joint Consultative Committees replacing the previous Joint Working Committees are soon to be revived with clearly defined functions and duties.

Effective action within the frame-work of existing rules and regulations is taken in dealing with bribery and other malpractices of the staff and whenever necessary cases are jointly enquired into by members of the Ok-Aw Committee and Railway officials.

A Special Committee composing of Ok-Aw Members, representatives of various Railway Departments and the Railway Police not only dealt with public complaints of all kinds but also initiated many measures for the improvement of the service mostly in the

form of public amenities. All the necessary emphasis is now laid on the correct and courteous dealing of Railway staff with the public and on their smart appearance in proper uniforms.

(7) *Discipline of the Public.*—The chief benefactor to the Railway Administration in maintaining discipline of the travelling public have been the Ok-Aw Committee.

One of the assigned tasks of the Committee was to deal effectively with ticketless travelling with the assistance of Railway staff. The results achieved within a short time was beyond expectation and contributed in no small measure to the phenomenal increase in passenger earnings.

Even such sections of the travelling public as the students, the *sanghas* and certain Armed forces personnel who had been difficult subjects to deal with by the Railway staff are now easily amenable to Railway rules and regulations.

A campaign to instruct the public in the proper use of accommodation and equipment in railway carriages and proper behaviour on railway premises was also started using handbills and photographs. Order on the trains and at stations had been largely restored through this effort. The following figures are the measure of success in combating ticketless travel:

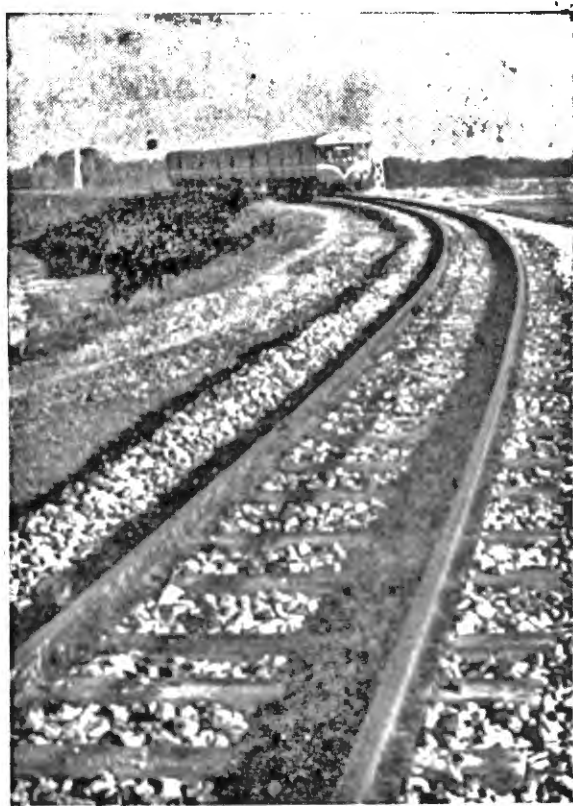
Year.	No. of passengers detected travelling irregularly.	No. of passengers who bought tickets.	Per- centage of columns 2 & 3.
			per cent
1957-58	... 11,433	26,946,000	'04
1958-59	... 2,537	33,198,000	'008

(8) *Amenities for the Public.*—While pressure was being put on the travelling public in connection with their behaviour yet the other side of the picture was not forgotten, and a drive was started to provide new amenities for the public.

First and foremost, the cleanliness of stations and trains was tackled with determination, and the entire station premises were rehabilitated by the provision of Station Name-boards, Platform lamps with Station names, etc. Other standard public amenities such as Train Schedule Boards, Identification Plates on Suburban trains showing the destination, route diagrams in coaches, etc., have also been provided.

The Rangoon Central Station has, in addition, been provided with ceiling fans on the main platform, a cool water fountain for drinking purposes and clean lavatories. Improvements on similar lines are being undertaken at other major stations.

(9) *Departmental Schemes.*—Parallel with all-round progress outlined above, certain Departmental schemes were initiated—the most prominent among which were the creation of the Northern Regional Headquarters, the establishment of a Staff



Diesel train on loop line around suburban Rangoon

Training Centre and adoption of Burmese telegraphy for all railway messages where English was previously the medium.

(10) *Doubling of Mainline—Rangoon-Pegu.*—On May 1, 1959, work on the doubling of the mainline was started from Togyaunggale Station, and now 15 miles have been completed and the section Rangoon-Dabein was operated as a double line section with effect from December 31, 1959.

Beyond Dabein, top linking of tracks for a further 10 miles has been completed and ballast is now being inserted. The remaining stretch up to Pegu has been scarified and ready for top linking, except for a portion of about 5 miles.

Along with this track work the rehabilitation of bridges and alterations to bed blocks for the new type of girders is making satisfactory progress. The signalling on this section is being improved by the installation of the upper quadrant multi-aspect type which will enable trains to enter station yards at higher speeds.

(11) *Thingangyun-Kanbe Link.*—To provide better transport facilities for the residents of the new satellite town of South Okkalapa, the construction of a loop line encircling the entire new town was contemplated and the survey completed. This work, unfortunately, had to be temporarily kept in abeyance, due to lack of sufficient allotment of funds.

However, the preliminary work, survey and the construction of the two abutments for a major bridge of 60 feet have been completed. As soon as funds are made available, this project will be undertaken.

(12) *Restoration of Branch Lines.*—

(a) *Moulmein South-Ye.*—This branch line which had all along been an

unremunerative line had been earmarked for closure immediately after the World War II. At a later date, it was decided to restore it up to Anin Station only a distance of 58 miles from Moulmein.

However, the Union Government for strategic reasons has decided to restore the entire length to Ye, and so the work has been taken in hand and has reached the Thingangyun bridge just short of Ye, consisting of four 100-foot spans and one 500-foot span. It is expected to complete the whole work by the end of 1960.

13. *The Sittang Bridge Construction.*—

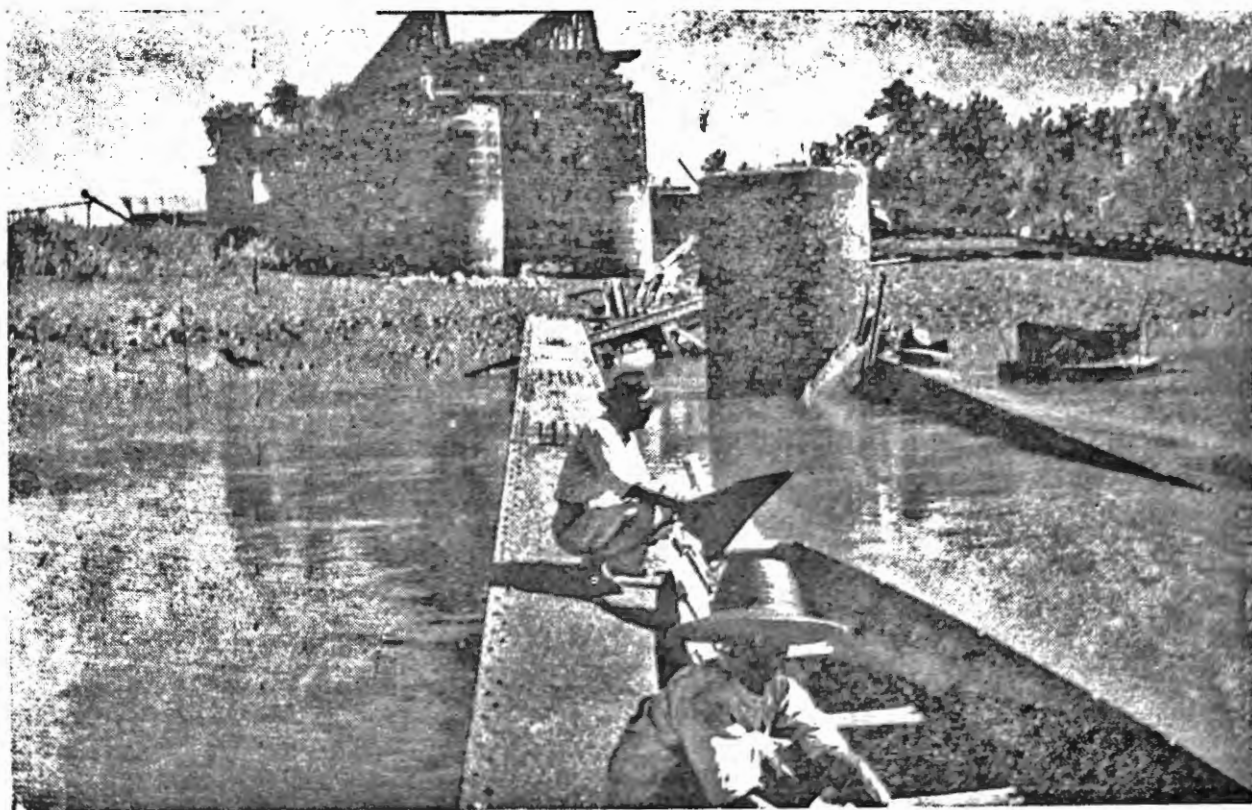
(a) *Project Provision and Requirements.*—The new Sittang Bridge site is located at about $4\frac{1}{2}$ miles upstream from the pre-war bridge. The new bridge will consist of six 350-foot through spans and two 60-foot half through spans on two abutments and seven piers of which five will be in the west gap throughout the year.

The bridge will have one metre gauge track in the centre and two roadways with footwalk, one on each side of the track.

Major works to be undertaken and being done by the Railways are—

- (1) Construction of the main bridge.
- (2) Construction of West Bank Approach to accommodate one metre gauge railway track 16 feet wide and two lanes of roadways, 42 feet wide.
- (3) Construction of the East Bank Approach of bridge both for rail and road requirements.
- (4) Accommodation works.
- (5) Construction of protective work on East Bank.

(b) *Brief Account of Initial Set-back.*—Initial site work in connection with the project was started as early as July 1955, but due to frequent interruptions by the insurgents' activities and the subsequent disruption of works no satisfactory progress could be achieved.



Main obstacle on the Moulmein-Ye railroad is the Thingangyun bridge, near Ye, destroyed by the insurgents

In order that the difficult situation and the trying circumstances under which the work was carried on, then, by the Railway personnel, can be properly assessed and appreciated, the following instances which brought the work almost to a standstill should be mentioned: three railway personnel shot dead, and seven railway personnel kidnapped.

It was not until in January 1959 with the coming of the Bogyoke Government, was adequate security at the area provided. Since then, it has been possible to achieve tremendous improvements in the progress of works. The following narrative will indicate the extent of works carried out under this major project during the period under review.

(c) *Progress Achieved.*—

(1) *West Bank Approach.*—The earthwork on the West Bank Approach of approximately 5 miles in length with a width of 58 feet connecting the new bridge site to the Rangoon-Martaban line, was started in March 1957 and completed in early 1959. Approximately 21,030,000 c.ft. of earthwork has been used for this embankment. Track laying and construction of six minor bridges were completed by August 1959.

(2) *Stores and Construction Yard (West Bank).*—In order to cope with all the steel work, machinery tools and plants, a store yard has been constructed on the West Bank. The task has involved 6,000,000 c.ft. of earthwork and this is nearing completion.

Approximately 25 per cent of tracks had been laid down in the yard. In addition two metre

gauge tracks for a 10-ton steam derrick crane have been completed.

(3) *Staff Quarters, Service Buildings, etc.*—As the new bridge site is an uninhabited and isolated place, it was necessary to construct staff quarters, service buildings, bunkers and other structures on both the East and West Banks. Almost all the buildings required for the project has been constructed.

(4) *East Bank Approach.*—It has been decided to construct a new alignment between the bridge site and Kawachaung and utilize a sector of existing old alignment about $1\frac{1}{2}$ miles between Mokpalin and Kawachaung.

A good progress has been made in survey of the new alignment and it is hoped to start earthwork early in 1960.

Before this alignment is completed, a temporary track of $4\frac{1}{2}$ miles was laid following the old one between Kawachaung and the bridge site for transport of bridging materials, particularly stone boulders and aggregates by rail.

(5) *Jetty on East Bank.*—In order to economize handling charges and to facilitate unloading of stone boulders and aggregates from railway trucks direct into barges by chutes for transport across the river, it was necessary to construct a jetty, jutting far enough into the river for all-weather work. This work was completed with great difficulty in October 1959.

(6) *Protective Work.*—The Sittang river, like other major rivers

of Burma, is subjected to great increase in discharge of water during monsoon, but unlike others, it is also subjected to tidal bore varying from a few feet to twelve feet. The river banks, being mainly composed of alluvial deposit, are very erodible.

About 60 feet of the west bank at the bridge site was eroded during last few months, and in order to prevent further erosion, extensive protective measures are being undertaken. This work consists in driving considerable number of steel sheet piles and M.S. pipe piles and pitching the bank with stone boulders.

About 60 per cent of this work has been completed.

The river also eroded the east bank badly at Kyaikkelai

endangering the temporary railway track. This sector extending a little over a thousand feet has now been protected by rail piles, horizontal timber runners and boulder pitching.

(7) *Construction of Pier No. 1.*—

This pier on the west bank was to have been a land pier, but due to unexpected erosion of the bank it has now become necessary to sink the caisson from a platform. The driving of piles and fabrication of the platform steel work are nearing completion, and so have the erection of the two-10 ton derrick cranes for grabbing.

(8) *Tools and Plants.*—All the tools and plants ordered from abroad have arrived. Several P.C. pontoons required for the work



Myitnge workshop for railway carriages and vans

have been erected and out of which three large pontoons have been equipped with pile driving frames, boilers and winches.

- (9) *Stone Quarry*.—As the supply of stone boulders by contractors has been unsatisfactory, it has been decided to work part of Mokpalin Quarry by the Railways. The siding to the quarry has been completed and preliminary works for blasting has been taken in hand. It is hoped to produce boulders by February 1960.

14. *Mechanical Engineering—Engine Power Availability*.—The decade 1948—58 had produced a most unsatisfactory situation as regards engine power availability. In the September of 1958 we had only 215 locomotives available with consequent cancellation of several trains resulting in loss of revenue.

However, with the changes brought about by the new Government, the locomotive power position steadily improved, and by September 1959, we had 250 locomotives on the line or 81.9 per cent availability. This however, was not the peak which was reached in January 1960, at 263 locomotives or 85 per cent availability. This indeed was a most satisfactory improvement.



Locomotive workshop at Insein

(a) *Dieselization*.—As a result of dieselization policy six main-line diesel electric locomotives had been obtained by the previous Government. Prior to the beginning of 1959, these diesel electric locomotives had not been used as intensively as possible due to teething troubles and lack of skill but changes were soon made and maximum utilization is the order of the day, with the result that we now run 1,540 miles daily.

The eight diesel rail car sets began to arrive during the period under review and five of these sets have now been put into commission to augment the suburban train services on the Rangoon Circular Railway.

The Administration has had to order four additional rail car sets to meet the heavy demands. A rapid order has been placed on the firm in question, and they are expected to arrive in the not distant future.

(b) *Purchase of Armoured Diesel Railcars*.—Negotiations have been completed with the Malayan Railways for the purchase of 12 numbers Wickham Armoured Diesel Railcars for use in patrolling the line. These have now arrived in Rangoon, and will be placed in commission shortly.

15. *Locomotive Workshops*.—The Table below shows improvement in the out-turn of locomotives :

	1956-57	1957-58	1958-59	1959-60 (Oct. to Jan.)
Heavy Repair	55	53	55	21
Intermediate Repair ...	3	2	5	2
Nominated Repair ...	23	22	36	11
	<u>81</u>	<u>77</u>	<u>96</u>	<u>34*</u>

* October 1959 to January 1960.

(a) *Period on Heavy Repair—Locomotives*.—At the commencement of the period under review, the average number of days

for locomotives under repairs had been 61. With the added drive and energy shown during the last 15 months, the position during the first four months of 1959-60 shows the average number of days as 45.7.

(b) *Costlier Heavy Repair—Locomotives.*—The cost per heavy repair during the year 1958-59 shows a rise above the previous year. This however is due to the fact that locomotives that had been badly damaged and laid aside previously, were scheduled and called in for repairs.

The cost per heavy repair for the initial months of 1959-60 has shown a great improvement and will be further reduced as the "time under repair" is correspondingly reduced.

The comparative costs are—

		K
1957-58	...	50,692
1958-59	...	52,443
1959-60	...	47,311

16. *Metal Outturn—Insein.*—The following Table shows a comparative outturn for three years:

	1957	1958	1959
Iron Casting	414 tons	330 tons	504½ tons
Brass Casting	116 "	108 "	167½ "

17. *Manufacture and Repair of Parts.*—In this scope there has also been a noteworthy improvement and though the figures reproduced below do not depict much, they mean far more towards the speedy rehabilitation of those locomotives and vehicles that had been under repair:

(a) *Stock Items.*—

	1957	1958	1959
Completed Shop Orders and Special Work Orders	... 1,260	1,216	1,341
Completed Time Rates	... 2,742	3,968	4,192
Completed Piece Works	... 368	402	367
Total	... 4,370	5,586	5,900



Passenger coaches under construction at Myitnge

(b) Supply and Repair Items for Outstations.—

		Loco-C. & W. (1958)	Loco-C. & W. (1959)
Supply Notes	...	2,298	3,040
Repair Notes	...	4,548	4,660
Total	...	<u>6,846</u>	<u>7,703</u>

18. Carriage and Wagon Shops, Myitnge.—The position as regards the outturn of coaches shows a steady progress with no outstanding features. However, this progress is being well maintained and it is anticipated the year 1959-60 will show better results.

(a) Wagons.—The lag in the outturn of wagons has been caused by the failure to send to Shops all wagons that are overdue repairs and overhaul. However, an intense drive has been made in this direction, and in December 1959, we reached the high figure of 172 wagons completed.

The comparative outturn for the last three years is given below:

Appended.	1957-58	1958-59	1959-60
Coaching	... 482	518	548*
Goods	... 2,218	2,000	2,500*

* Anticipated outturn based on four months from October 1959 to January 1960.

19. Damaged Rolling Stock.—One of the greatest eye sores has been the locomotive graveyard along the Railway Golf Course at Insein, and also within the Insein Station Yard. During the period under review an intensified effort was made, and it can now be recorded that this area at Insein has been totally cleared of all derelict locomotives.

In June 1959, work of salvaging and clearing the derelict rail stock all along the line in Upper Burma was taken in hand, and considerable progress has been achieved. Up to the time of writing, 200 bogie vehicles and 1,350 four-wheeled stock have been removed and despatched to Myitnge for salvage or disposal as scrap.

In addition, 800 tons of miscellaneous scrap has also been sent to Myitnge.

20. Staff Welfare.—Although the major attention has been devoted to the attainment of the above-mentioned achievements, yet the welfare of the staff had not been overlooked.

To improve the standard of living of 22,000 Railway staff and their families the Railway Welfare Institute has been formed with a capital of K 1,00,000 and arrangements are in hand to open the Railway Staff Shop near the General Offices, Railways, Bogyoke Street, Rangoon.

During December 1959, with the co-operation of the Railway Engineering Department it has been possible for the Railway Welfare Institute to open a branch Railway Staff Shop at Sittang Bridge for the welfare of the labourers at work site.

Arrangements are also in hand to run Bazaar Wagons up and down the railway line to enable the Railway staff throughout the Railway system to buy essential commodities at the cheapest possible rates.

21. Conclusion.—The correctness of the measures adopted by the administration is indicated in the record of achievements enumerated above.

The main factor governing the achievement has been the establishment of law and order by the Bogyoke's Government. Secondly, this progress could not have been achieved had it not been for the complete co-operation accorded by the Railway personnel and departments.

Coupled with these must also be mentioned the revival of the enthusiasm and pride in their job which enabled the staff to expend their energies and initiative on constructive work which in turn afforded them the assurance of seeing the establishment of their hard earned achievement on a permanent basis.

V. Road Transport

The Rangoon City bus services, which had hitherto been the object of many complaints, received the much-needed overhauling shortly after the Bogyoke Government came to power.

Formerly, mostly all the lines used one of the remunerative routes along Prome Road, Kokine Road, or Bow Lane to the neglect of other areas. To add to this, all of them converged on Theingyizay thereby creating congestion and confusion in this busy part of the city.

The first step was completely to rearrange the routes, so that all the areas received their due share of bus transport; and the routes were integrated so that no one would hold a monopoly of the most paying ones. The new routes were longer between termini and eliminated much of the former need to change from one bus to another.

Formerly, buses stopped as the drivers liked without much regard for declared halts. Stop signs were therefore introduced showing which were compulsory stops and which were request halts. Bus shelters were also constructed. Police supervision of the time schedules made for regular running, and the dangerous practice of racing and overtaking was stopped.

Previously, there was no proper control over fares and there was much variance in the rates of fares charged by the different lines.

Rule 26 of the Burma Hired Motor Vehicles Rules was therefore amended to allow the Commissioner of Police in Rangoon (and elsewhere the District Magistrate) to fix the rates of fares to be charged in respect of hired motor vehicles. Acting on this authority the Commissioner of Police introduced a new uniform fare structure of 5-pya stages for all lines operating in the

city. This also effected a reduction of fares of approximately 20 per cent. Fare tables were displayed in all the buses so that the passengers would know the legitimate amount payable for their journey.

Incidentally, bus owners benefited from the amendment to the motor vehicle rules, which spread out the period for registration of motor vehicles. The advantage of such a system lies in the fact that by not making it obligatory for all vehicles to register at the same time, there is ease of routine and no disorganization of transport services.

It can be claimed that the City of Rangoon now has a much better bus service than it had before, although there is room for improvement to meet the evergrowing needs of the city and its suburbs.

VI. Transport Advisory Committee

The following is an account of the work done by the Transport Advisory Committee during the term of office of the Bogyoke Government :

(1) *Co-ordination of Transport.*—One of the main duties of this committee is to work towards the co-ordination of all forms of transport within the Union of Burma. It made a study of its possibilities in Burma, and agreed on the following four guiding principles :

- (a) Each form of transport to be used within its proper sphere where it operates efficiently and economically both from the point of view of the undertaking and that of the general economy of the country.
- (b) There should be controlled co-existence where more than one kind of transport is necessary so that there will not be any unhealthy or wasteful competition.

(c) There should be no over-supply of transport facilities in some areas and an inadequate supply in other areas.

(d) There should be co-operation in providing facilities for an easy interchange of passengers and goods between areas served by different modes of transport.

(2) *Revision of the Motor Vehicles Act.*—Partly because the Motor Vehicles Act of 1915 and its rules do not meet present day requirements and partly to bring enactments on transport in line with the policy of co-ordination, a new and comprehensive Motor Vehicles Act consisting of Ten Chapters has been drafted and sent to the Commissioner of Police for his comments.

Opportunity was taken to introduce a chapter on the control of commercial motor transport in Burma in accordance with public needs on the lines approved at a meeting of the Committee.

In drafting the Act, regard was paid to the advantages offered to the public by road transport, the prevention of uneconomic competition amongst motor vehicles, and the desirability of co-ordinating road transport with the other forms of transport.

(3) *Rail-River Rates Co-ordination.*—In keeping with a resolution of the meeting held on the 22nd January 1959, a Rail-River Rates Co-ordinating Sub-Committee was formed to examine the rates on certain commodities between the towns served by both rail and river and to consider the need for establishing Rail-River Rates differentials as was done in the years before the war by the Burma Railways and the Irrawaddy Flotilla Company.

The Sub-Committee met on several occasions to study the data that had been collected. It submitted its report on the 15th June 1959 suggesting how the Inland Water Transport Board's freight rate structure should be revised in relationship with

railway rates and other river craft rates so that there will be a satisfactory division of traffic.

(4) *Road Transport Survey.*—In order that the Committee should function satisfactorily and make practical recommendation, it should be in full possession of the facts relating to the different forms of transport. Lack of useful data on road transport, however, made it difficult to appraise the significance of this branch of transport in the development of Burma's transport resources.

A survey of road transport was therefore conducted by on-the-spot investigations and also by questionnaires to Deputy Commissioners, road transport undertakings and their customers.

(5) *Rail-Road Co-operation.*—The revival of the pre-war system of rail-road co-operation in the form of railway out-agencies was brought up at a meeting of the Committee. These out-agencies situated at towns away from the railway but connected to the rail-head with good feeder roads, gave the railway traffic from the interior and in turn received traffic brought by the railway to the rail-head.

Such co-operation was not only of mutual benefit to the participating transport undertakings, but provided a through booking service for the convenience of passengers and traders from the interior and developed that portion of the country not directly served by the railway by linking it to the rest of Burma with the benefits of a unified means of transport.

The Burma Railways have since reopened the out-agency at Taunggyi and are considering the opening of other out-agencies.

(6) *Rates for the Carriage of Postal Traffic.*—At the meeting of the Committee held on the 23rd December 1959, the representatives of the Inland Water Transport Board and the Postal Department

agreed to scrap the existing system of charging for postal traffic by river, which entailed a great deal of labour and expense in recording details and making calculations. They agreed to a flat rate of K 2 lakhs for the year, payable quarterly. Once every two years, this annual rate would be revised on the basis of past payments, test weighments and other connected considerations.

(7) *Disposal of Rates Cases.*—Several other applications for the reduction of Railway and Inland Water Transport Board's rates were dealt with by the Committee. It is the only body in Burma at present before which the traders as well as the Burma Railways, Inland Water Transport Board, and the Union of Burma Airways have the opportunity of smoothing out their differences on transport charges.

(8) *Amendments to the Carriers Act.*—Suggestions were made through the Ministry of Transport, Posts and Telecommunications to the Law Translation and Revision Department regarding certain amendments to the Carriers Act that are now necessary.

(9) *An Act to regulate Inland Water Transport.*—Acting on a resolution of the Committee that there is a need for an Act to regulate inland water transport as comprehensive in coverage and as complete in control as the Railways Act, a study was carried out on the water transport regulations of other countries.

(10) *Transport Commission.*—On the instructions of the Budget Allocation Supervision Committee the Chairman and

Secretary of the Committee drew up a tentative scheme for the creation of a transport commission which would be a statutory authority charged with the duty of providing efficient, adequate, economical and properly co-ordinated transport for the Union of Burma. The draft has been sent to the Ministry of National Planning.

(11) *Inland Transport and Communications Committee (ECAFE)*—The Secretary of the Transport Advisory Committee was one of the Burmese delegates at the Eighth Session of the Inland Transport and Communications Committee of the Economic Commission for Asia and the Far East which was held in Bangkok from 18th to 24th November 1959.

(12) *Other items which have received attention.*—The following are some of the other items which have received the attention of the Transport Advisory Committee during the period under review:

- (a) Rangoon traffic problems.
- (b) Removal of sunken vessels of the former Irrawaddy Flotilla Company.
- (c) High labour charges at Rangoon foreshore and other transport terminals in Burma.
- (d) Cold storage transport by rail.
- (e) Rangoon port dues.
- (f) The need to revise certain sections of the Railways Act.
- (g) Rangoon suburban rail services.
- (h) Suggestions received by the Secretary through his meetings with Traders' Associations while on tour.



Ministry of Marine and Civil Aviation



U San Nyun, Minister

The Ministry of Marine and Civil Aviation has under its control the following departments and boards:

1. *Mercantile Marine Department.*
2. *Civil Aviation Department.*
3. *Meteorological Department.*
4. *Board of Management for the Port of Rangoon.*
5. *Union of Burma Shipping Board.*

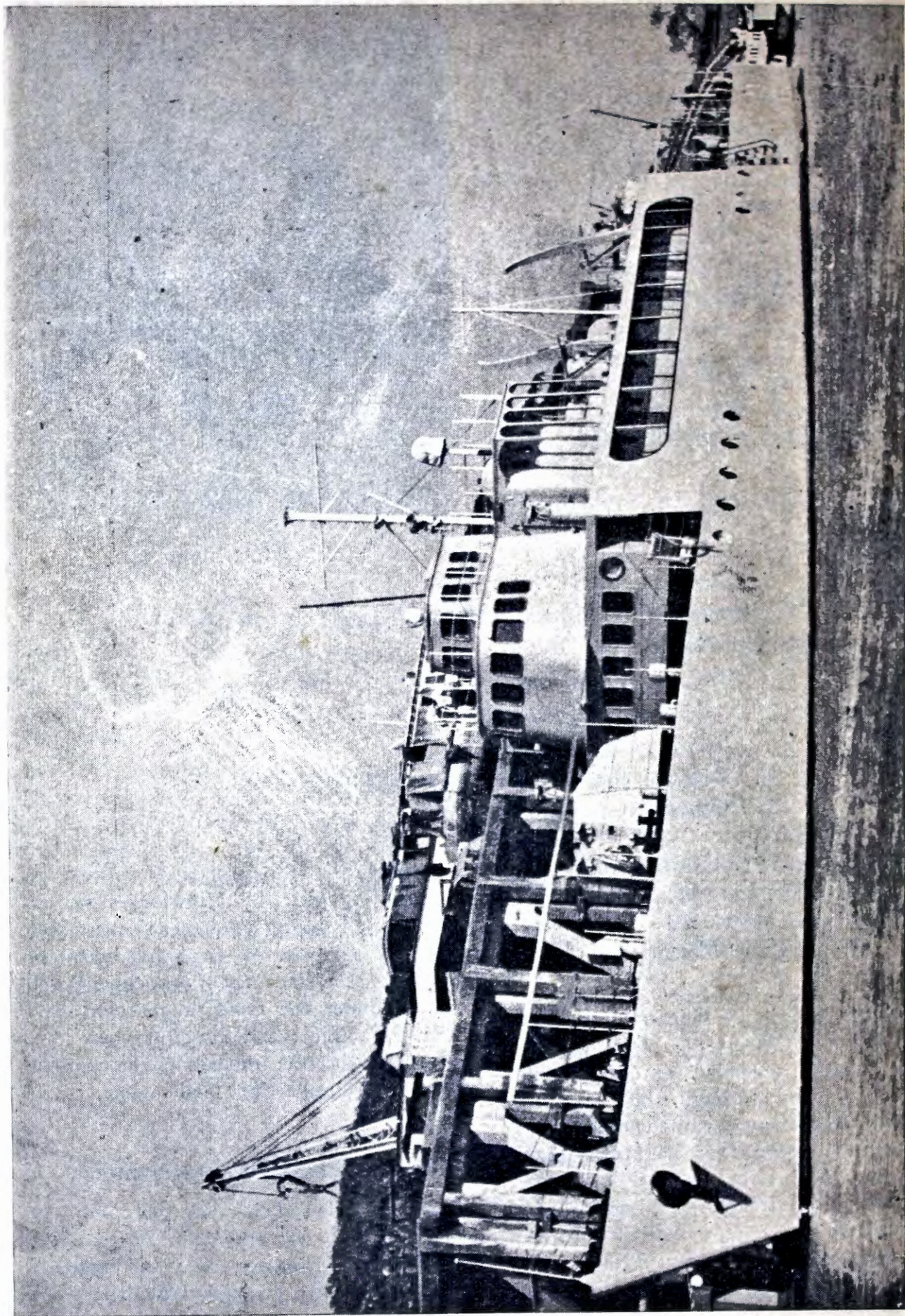
Previously, there had been many cases of inefficiency and lack of discipline in the departments and boards under the control of the Ministry of Marine and Civil Aviation.

With the advent of General Ne Win's Government, Officers of the Defence Services were seconded to departments and boards, and through their untiring efforts in improving existing methods and introducing new ones there has been marked improvement in the general efficiency and discipline in the workings of the departments and boards; especially in the Mercantile Marine Department, Union of Burma Shipping Board and Board of Management for the Port of Rangoon.

A Maritime Development Co-ordination Committee, with the Minister for Marine and Civil Aviation as Chairman, has since been set up to devise ways and means of improving the efficiency of departments and boards under the Government connected with the subject and directing their joint efforts for the best interests of the country, removing duplication and waste.

I. Mercantile Marine Department

Since the end of the War, the number of powered craft using the inland waters of the country in carrying passengers and cargo has increased greatly, posing a difficult problem for the Mercantile Marine Department



River gun-boat for Burma Navy constructed at Dawbon

in enforcing rules and regulations laid down for the safety of riverine communications.

The problem is made more acute by the fact that the majority of these river-craft failed to comply with the provisions of the Inland Steam Vessels Act. Enforcement of the Act became almost impossible because of political interference and a large number of these river-craft failed to apply for registration. The result was an enormous increase in collisions with resultant loss of lives and property.

The advent of General Ne Win's Government put a stop to all these and all river-craft have been registered. They are now conforming with the requirements of the law regarding employment of qualified serangs, engineers and other officers and members of the crew. Frequent checks have been made and drastic action has been taken where breaches of law have been detected.

Training schools for crew men and engine drivers are given help by the Government, and examinations for them are being held by the department in order to ensure that really qualified persons man the crafts. The result has been a considerable drop in the number of cases of collision.

River conservancy, a branch of the Marine Department, was at one time taken away and placed under the IWT Board, with the result that the laying of buoys, marking of channels and dredging have not received proper attention. Sandbanks have appeared in the main river channels and access to anchorages in most towns have blocked up.

General Ne Win's Government has put this activity back under the Marine Department and river conservancy is now obtaining full attention. Pamawaddy Flats in the Bassein river is being dredged making it possible for rice trading steamers to enter Bassein and leave it easily.

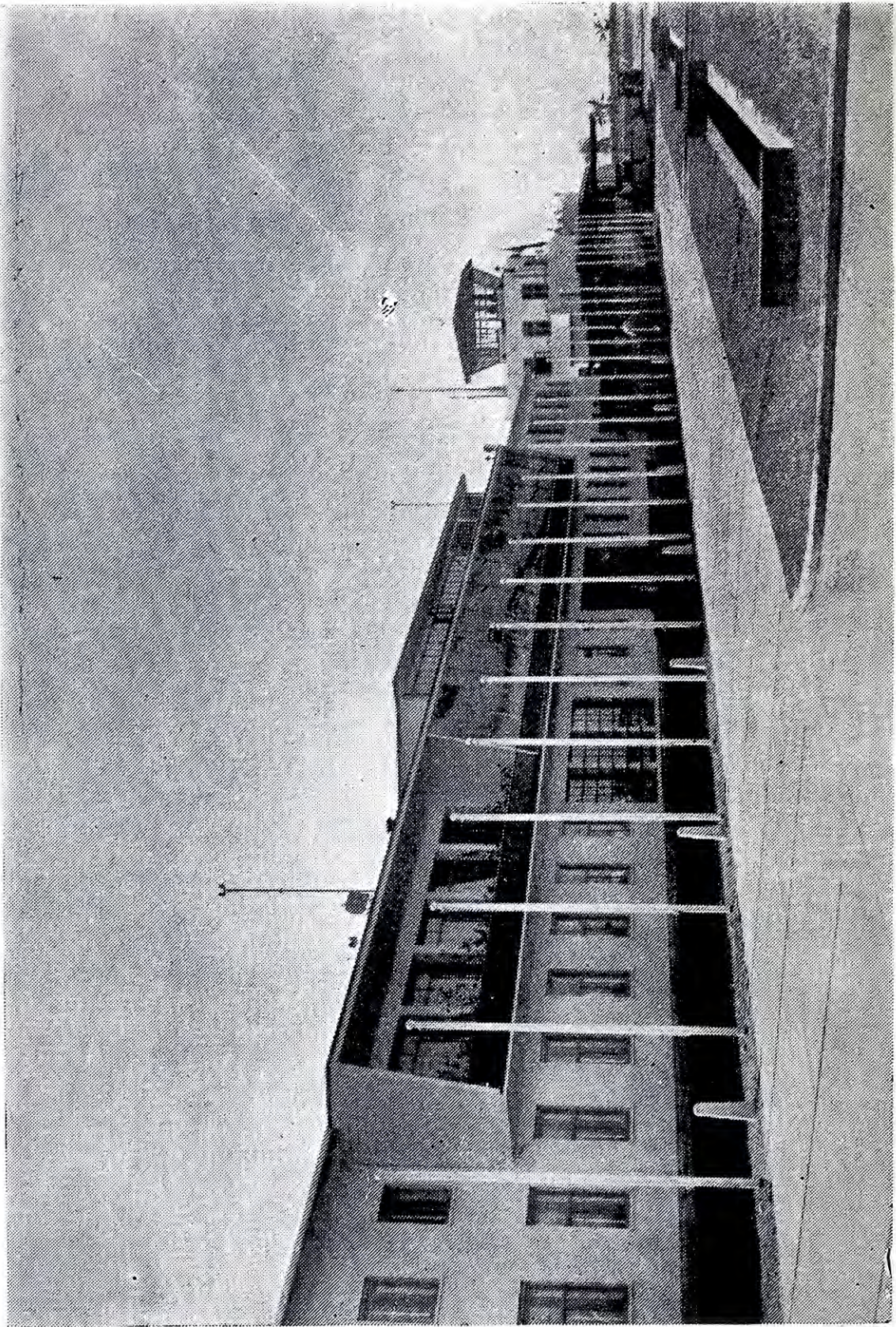
Sandbanks along the Tavoy river have been dredged and schooners which ply between Rangoon and the Tenasserim ports can enter and leave the river without waiting for the full tide. Sandbanks near the Gau-wain jetty at Mandalay has also been removed and navigation at the jetty has been made safe.

In the Government Dockyard at Dawbon, discipline and efficiency have been at a low ebb as it was impossible to do anything about it because of political interference. Work at the dockyard was extremely slow and two river gun-boats constructed for the Burma Navy took years without any sign of completion.

After General Ne Win's Government took over, discipline was enforced and efficiency raised. Output and standard of work has increased visibly. One of the two river gun-boats has been launched and nearing completion, while the other will be launched in a very short time. Two D-type craft for use by touring officers, which have been under construction for some time, have been completed while two more are nearing completion. Good progress has also been made in the docking and repair of craft at the dockyard.

Oil burners for light-houses and light-ships are being replaced with electricity. Arrangements are underway for installation of radio-telephones in all light-houses and light-ships.

A "Maritime Development Co-ordinating Committee" has been formed. This committee is expected to be able to make the best use of available resources in all government departments and boards efficiently and economically. Especially in connection with docking and repair of new crafts and river conservancy it is felt that if all government departments and boards are to pool their resources and function under the general supervision of the committee,



The Rangoon Airport

expenditure can be appreciably reduced, while raising efficiency at the same time.

II. Civil Aviation Department

The Civil Aviation Department is in charge of nearly 40 aerodromes and maintains them in good condition for the safety of aircraft and passengers.

During the period of General Ne Win's Government, airfields at Putao and Sinkaling Hkamti, which were fair-weather airstrips, have been made into all-weather aerodromes affording people in these areas, which are highly inaccessible, with quick means of communication with the rest of the country all the year round.

A new airfield is under construction at the ancient capital of Pagan, in order to facilitate tourists to visit the numerous ancient monuments and pagodas. Runways and taxiways at the Mingaladon air port are being extended in order to enable it to accept modern big jets.

New fire tenders, crash rescue vehicles and ambulances have been procured from abroad to augment the present fleet of the Aerodrome Fire Services at Mingaladon. These new fire tenders are of the latest design and equipped with the most modern appliances for the efficient control of hazardous aerodrome fires. New Radio Air Navigation Aids have been installed at Putao and Akyab airports.

Previously, Civil Aviation and Military Aviation in Burma had existed as separate entities dealing with their respective own duties. With a view to co-ordinating the activities of these two bodies in solving various problems of common interest for the country, a committee known as the Aviation Co-ordinating Committee has been formed under the chairmanship of the Minister for Marine and Civil Aviation.

III. Meteorological Department

The Meteorological Department took

over the functions of the Hydrological Divisions of TAMS (American Economic Consultants), when the agreement between TAMS and the Government was terminated in December 1958. As hydrology plays a very important role in the national economy of a country like Burma where agriculture is the main economic backbone, the Meteorological Department is carrying out very useful work in measuring the rate of evaporation and allied research activities, and that branch of hydrology concerned with meteorology, such as measurement and compilation of rainfall data, stream and river gauging.

About K 2,60,000 worth of meteorological instruments have been procured during the year. These instruments, which include test equipment for standardization and calibration of most meteorological instruments, could not be procured during the previous 3 or 4 years.

Plans are underway to erect a building to house the Central Meteorological Observatory at the site of the present Radio-sonde Observatory near the Kaba Aye Pagoda. A new Observatory is being opened at the Cocos Island and is expected to function during February 1960.

To apprise the public of the activities of the Meteorological Department and to procure the co-ordination of various Government Departments, Boards and Corporations on matters relating to meteorology, the Ministry of Marine and Civil Aviation has set up a Meteorological Co-ordinating Committee from September 1, 1959.

IV. Board of Management for the Port of Rangoon.

In recording the major achievements of the Board of Management for the Port of Rangoon under General Ne Win's Government during the period November 1, 1958 to the first week of February 1960,



Systematic storage of goods in Port godowns at present

pride of place must be given to the achievements made in the sphere of Wharf Operations.

Efforts made by the Port Authority in this sphere of work, yielded handsome dividends culminating in international recognition, when because of the vast improvements made in wharf operation and speedier turn-round of vessels, the Japan-Bay of Bengal Conference Line on October 1, 1959 dropped not only its proposal for increasing freight surcharge but withdrew even the existing surcharge of 10 *sh.* a ton which had been imposed since the war.

Subsequent to this, when the unseasonal showers in late 1959 affected unloading operations to some extent, the Japan-Bay of Bengal Conference again notified that if conditions in the Port of Rangoon did not improve within a trial period of one month effective from January 21, 1959, the surcharge would be reimposed. Even before the trial period had commenced, effective measures taken by the Board so impressed

the Conference Line that on January 19 1960 it decided to dispense with the trial period and completely withdrew its proposal for reimposing a surcharge.

(1) WHARF OPERATIONS

(a) *Transit Sheds.*—The period under review marked a complete overhaul in the various fields of wharf operations.

The method of storage within transit sheds was streamlined and the chaos of the past brought under control. An accurate account was kept of the number of packages arriving into the sheds, and the sheds themselves divided into numbered compartments. Goods arriving first into the sheds being stored closest to the delivery entrance according to their shipping marks. This facilitated the easy sorting and clearance of goods from the wharves. Cargo was stacked more systematically.

Greater use was made of palletisation, and deployment of cargo handling gear put on

a more efficient basis, increased not only handling rate but also reduced breakages, a frequent complaint raised against the Port.

Consignees can currently trace their cargoes easily and the Board is now able to issue its Wharf Outturn Reports and Short-landed Certificates in a week's time instead of 3 or 4 months as in former days.

Clearance of cargoes from the wharves was hitherto undertaken by the consignees themselves with their own labour force. This was most undesirable as the presence of outside labour in large numbers made it impossible for effective discipline to be maintained within the wharf premises.

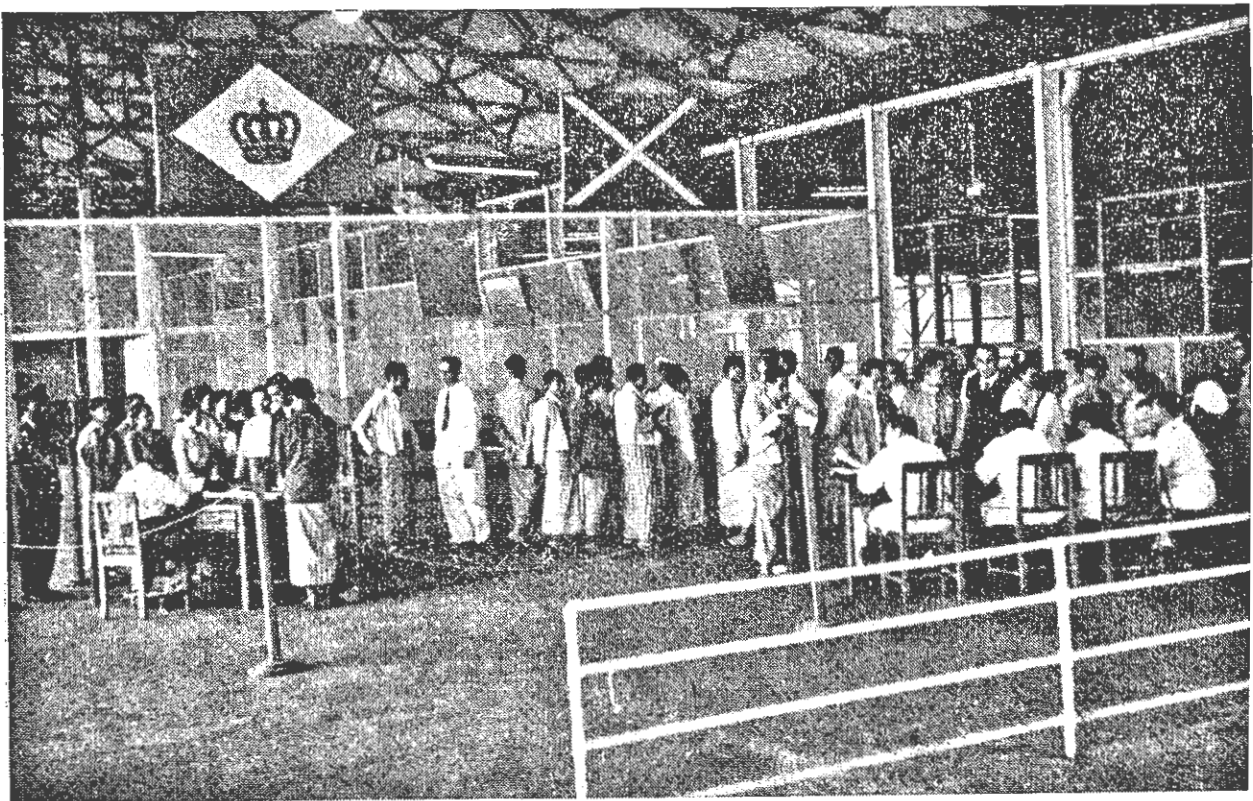
The Board took over the direct delivery of cargoes from September 15, 1959, saving valuable time spent in co-ordination and simplifying wharf control. With all labour within the wharves now consisting of the Board's own labour only, greater discipline could be effected and security measures tightened.

(b) *Anti-Congestion Measures.*—To stop a recurrence of port congestion, statistics showing the rate of clearance by principal importers are maintained and their attention drawn immediately if clearance is found to be slow.

A complaint office was established at the Sule Pagoda Wharves to deal immediately with all problems arising at the wharves. At the head office, a huge signboard was erected enabling one to follow at a glance the day to day storage position at the wharves.

To discourage the use of the wharves as a storage area, a 50% increase was introduced in the rate of demurrage fees with effect from July 1, 1959. Uncleared goods in the sheds which in the past could be auctioned only once in four months, was effected by the Port Act amended in September 1959 to enable auction of uncleared goods two months after final discharge.

The Traffic Manager was empowered to shift as much uncleared cargoes from the



Passenger disembarkation at the Port Health Station

wharves as was considered fit, to ensure that at least half the full complement of a ship's hooks are working at any one time. To enable this to be put into effect, storage godowns and yards outside the wharf premises are used, facilitating rapid discharge of cargoes from vessels.

An important storage point in this connection is the open air Hteedan Depot. The use of this Depot has enabled the Board to relieve congestion at the wharves and to protect itself from the freight surcharges threatened by the Japan-Bay of Bengal Conference Line. Arrangements are in hand to get alternate covered storage space for use during the monsoon.

In their ignorance of wharf procedure, consignees had hitherto depended entirely on their clearing agents. The publication of a Handbook on Wharf Procedure has contributed much towards educating the consignee in the intricacies of wharf clearance and enable him for the first time

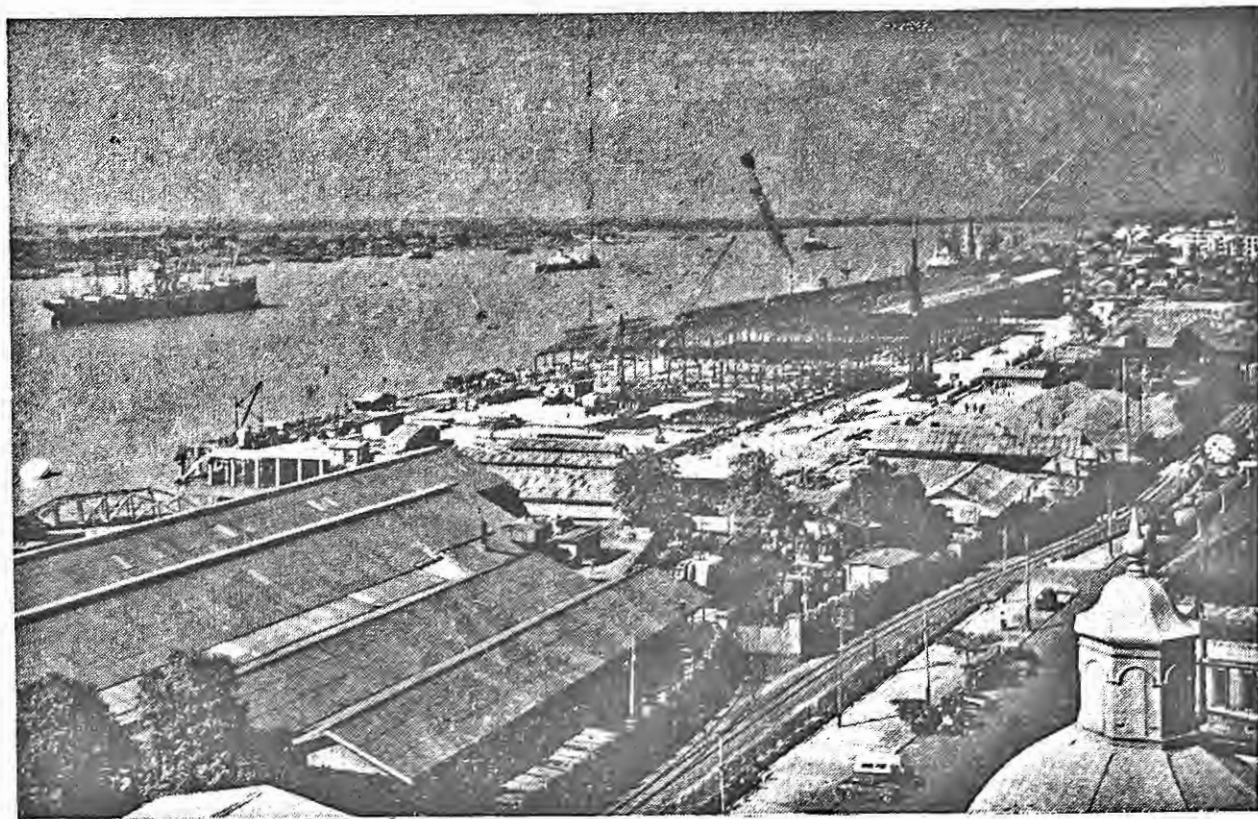
to take an active part in the clearance of his goods.

(c) *Security*.—Pilferage at the wharves received full attention under the Bogyoke Government. Stricter security measures were enforced, a Security Officer appointed and the security staff themselves made to undergo rigid training instilling in them a sense of discipline and responsibility resulting in an improvement both in appearance and in their outlook.

The presence of stevedore labour, steamer agents and their labour and other outsiders had made identification and prevention of theft almost impossible. Entry into the wharves has now been greatly restricted. The Board's labour wear uniforms for easy identification while consignees staff and labour are made to wear distinctive badges.

Security measures adopted have effectively stopped pilferage at the wharves.

The only case of pilferage worthy of any mention during this period occurred in May



Reconstruction proceeding on Sule Pagoda wharves

1959 when a box of lipstick was pilfered from Sule Pagoda Wharf No. 1. Drastic action was taken and collective punishment meted out to those connected with the case. About 48 wharf labourers were dismissed and 14 other staff suspended.

This action has proved to be most effective and since then no pilferage has occurred.

The amount of *ex-gratia* payments made by the Board to steamer agents for shortages ex-Steamers/Wharves dropped noticeably during the period under review as will be evident from the table shown below and pilferage became almost non-existent.

Ex-Gratia Payments to Steamer Agents for Shortages ex-Steamers/Wharves

Period.	Amount.
	K
1st April 1957 to 30th September 1957	20,91,7'11
1st October 1957 to 31st March 1958	5,30,5'51
1st April 1958 to 30th September 1958	1,03,2'58
1st October 1958 to 30th June 1959 ...	48,7'93

The Board has at present stopped the system of *ex-gratia* payments for shortages ex-Steamers/Wharves and has adopted a Tally System keeping an accurate account of goods arriving at the Port. Since 1911 steamer agents had agitated for the introduction of the Tally System but the Port

Authorities had compromised in the form of *ex-gratia* payments satisfying no one.

(2) LABOUR

(a) *Unions*.—An outstanding achievement was the breaking of political dominance over the labour unions. The existing unions in the Port, which were not truly representative of the labour interest and infected with political ideologies, were disbanded and a labour union representing all classes of the Board's labour and free from politics was established with the active assistance of the administration.

Recruitment of labour was centralized, giving no opportunity to union leaders to meddle in this sphere. To enable a close check to be made upon labour, proper screening was made before recruitment and a Service Card system introduced. This system, by entry of photographs, thumb prints and National Registration Numbers in the cards, simplified identification and enforcement of discipline.

The disbandment of the politically influenced unions, the rigid discipline maintained and the stricter supervision made by the Board's officers instilled a sense of responsibility and pride among the labourers and with their active co-operation productivity increased and wastage reduced to a minimum, as shown below:—

Progress made in Turn-round of Vessels and Output of Work

Period	Average No. of days spent by ships alongside wharf		Total No. of labour employed	Tonnage handled per man	Cost per ton
	Days	Hours			
1. January—October, 1958 ...	4	6	252,918	2'4	1'50
2. November 1958—May 1959 ...	3	5	121,371	3'0	1'20
3. June—December 1959 ...	3	23	133,936	3'0	1'20

The above table needs certain elucidation. The unseasonal rains during late 1959 stopped wharf operations to an appreciable extent and if it were not for these stoppages, the statistics would be even more favourable.

While inculcating a sense of responsibility in labour, it has long been felt that to get the maximum output, material incentives would have to be offered. Payment of bonus to labour engaged in the delivery of goods was introduced with effect from January 2, 1960.

A bonus of K 1 is paid for every ton handled in excess of the normal rate of 325

tons each berth worked by 100 men. The incentive offered proved so successful that whereas previously a labourer handled 3.01 tons only (this figure includes those handled by cranes also) now the handling rate rose to as much as 5.85 tons per man, almost double the former rate.

To cap it all, this new tonnage figure is exclusive of crane tonnage so that in reality the figures are even higher than that shown. The figures below give a comparison of output and the incentive offered to labour in the form of bonus.

Pre-Bonus Figures

Date	Total No. of labour B.S.W. and S.P.W.	Total No. of tonnage handled by men	Average tonnage per man	Highest bonus paid per man	Total No. of tonnage handled by crane
September 1959					
September 25, 1959	3,501	10,969	3.01	...	...
September 31, 1959					
October 1959	18,586	60,159	3.23	...	...
November 1959	13,603	45,530	3.34	...	...
December 1959	14,882	48,968	3.29	...	...

N.B.—Delivery by crane is included in the calculation.

With Bonus

Date	Total No. of labour B.S.W. and S.P.W.	Total No. of tonnage handled by men.	Average tonnage per man.	Highest bonus paid per man.	Total No. of tonnage handled by crane.
				K	
January 2, 1960	533	1,798.29	3.37	4.60	322.53
January 3, 1960	133	778.53	5.85	3.50	98.74
January 4, 1960 ... ..	...	Holiday	...	...	...
January 5, 1960	326	1,164.87	3.57	4.12	72.38
January 6, 1960	319	1,623.13	5.08	3.35	547.48
January 7, 1960	351	1,920.76	5.35	4.15	699.65
January 8, 1960	341	1,859.17	5.31	5.35	950.58
January 9, 1960	277	1,220.16	4.40	2.35	91.00
January 10, 1960	Sunday	No delivery	...	...	...
January 11, 1960	274	955.06	3.63	3.60	318.57

N.B.—Delivery by crane in the last column is not included in the calculation.

In return for the greater co-operation and productivity gained from labour, the Board on their part has introduced several welfare measures, chief among which is a Labour Rest Centre at the Sule Pagoda Wharves, incorporating a reading room, and a canteen providing cheap and wholesome food.

The conveyance of labour to and from work-site was set on a more efficient footing and the ferry routes adjusted to incorporate the new residential areas of Thaketa and Okkalapa.

At the work-site, occupational hazards have been reduced to a minimum, a model First Aid Centre established and maximum provision made to cope with emergencies and accidents arising out of work.

(3) PORT INTERESTS ALONG FORESHORE

Under the Rangoon Port Act, the Board is vested with a vast stretch of foreshore land meant primarily for Port operations.

A great part of these lands were occupied by squatters after the war who, backed by political organizations, resisted all attempts to dislodge them.

It was only with the advent of General Ne Win's Government that the 400 odd squatters at Ally Moola Estate, Pazundaung, and others at Kemmendine could be evicted and valuable land resumed for Port Development Projects.

The Lanmadaw Foreshore, a centre of inland traffic, where a good number of the Board's godowns, refreshment stalls and bazaars are situated was another major problem to the Board.

Here again, politics had played a large part in the allotment of stalls and godowns.

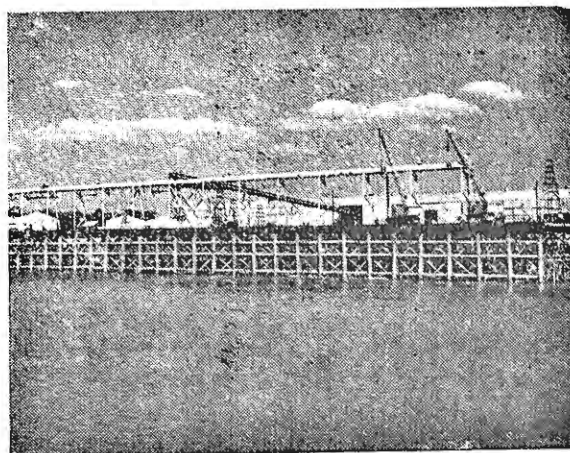
The Board has now thoroughly reviewed the situation and only *bona-fide* tenants actually engaged in trade were retained. Sub-letting and unauthorized transfer of premises were now checked and all allocations made by means of auctions resulting in greater revenue to the Board.

The strong political interferences in the vegetable market at Lanmadaw was broken and the market itself resumed by the Board making available much needed storage space to Government agencies engaged in the import/export trade.

With the rapid expansion of the Port, lands formerly put out on lease by the Board were required back for development projects.

The lessees however, refused to surrender back these valuable lands situated at Kemmendine and Hteedan.

At Rowett Street, Pazundaung, a strong group of tenants refused to pay their rents.



Hteedan Rice Wharf, with facilities for automatic loading of rice on ships

The firm measures taken by the Board under General Ne Win's Government have resulted in the settlement of all outstanding rents at Rowett Street, the control of the lessees at Kemmendine, who are earmarked to leave in February, and the clearance of the timber stall sites and Hteedan mill sites where a rice export wharf has been constructed for the State Agricultural Marketing Board.

With the stricter surveillance upon foreshore trade and greater interest shown by the foreshore staff, foreshore revenue has increased by leaps and bounds as shown below:—

Foreshore Revenue

<i>Period.</i>	<i>Revenue Earnings.</i>
	K
November 1957 to October 1958 ...	12,89,212
November 1958 to October 1959 ...	18,18,794
Increase of foreshore revenue under Bogoyoke's Government ...	5,29,582

(4) FINANCE

In the immediate post-war period the Board had received loans from Government for restoration of its war-damaged facilities. With the rapid turn-round of vessels, increased rate of handling cargo and greater earnings in revenue under General Ne Win's Government, the Board is now in a strong financial position.

The Government's loan of K 35 lakhs has been repaid before the due date. The active measures taken under the new regime has resulted in the realization of outstanding rents, the biggest item being a sum of K 11 lakhs from the SAMB outstanding since 1950.

The Board is now able to finance even its own capital expenditure and a sum of K 200 lakhs has been earmarked for revenue for financing capital works.

(5) DEVELOPMENT PROJECTS

(a) *Wharves.*—The period under review marks a major contribution by the Board towards the rice export trade in the form of a new rice wharf at Hteedan, completed in September 1959. This wharf, equipped with a conveyor system for automatic handling of rice was undertaken solely by the Board's engineers with materials at hand and was completed within a comparatively short period of 6 months.

Arrangements are now in hand for the construction of a second rice wharf in the same area which, when completed, will fully meet the requirements of the rice export trade in this area.

A major project of the reconstruction of the war-damaged Sule Pagoda Wharves, Nos. 5, 6 and 7, was completed successfully during this period and a second contract valued at K 218 lakhs signed with Ed. Zublin A. G. of Germany for construction of Transit Sheds and Warehouses in the new wharf area. This project is progressing ahead of schedule and when completed will provide three additional valuable berths for general cargo. Berth No. 5 has already been handed over to the Board by the contractors and is now making its contribution towards the general cargo trade.

The Board had long felt the need of a passenger station befitting the dignity of the premier port of Burma. The Port Health Station at Phayre Street, an eyesore of the past, was renovated and given an air of decency. Arrangements are in hand to pull this structure down and to replace it with a passenger terminal on the lines of the Airport Terminal at Mingaladen.

(b) *Port Amenities.*—The Lewis Street Jetty Foreshore, a venue for the citizens of Rangoon during the hot summer evenings, was developed under the Bogoyoke Government to provide a recreation centre in keeping with the dignity of the Port. The

former Lewis Street Passenger Station was tastefully redecorated and converted into the "Nanthida" Cafeteria providing a much needed facility on this part of the foreshore.

The adjacent gardens in the same area, now renamed the Greenbank Gardens, was fully developed and installed with a fountain, a rock garden, and an open air cafeteria. Arrangements are now in hand to provide a children's playground in this area too and the Board's officers are busy collecting ideas on the latest equipment regarding children's playground.

(6) GENERAL ADMINISTRATION

(a) *Administrative Achievements.*—Previously, office work was carried out mainly by precedent. The Port Manual of 1910 had long become obsolete and had ceased to be used by the Administration.

All these defects were now remedied and each department was made to define the duties and responsibilities of its staff. A series of Working Instructions were introduced. Those of the past were reviewed and made more comprehensive and practicable. The staff, with such Working Instructions to rely upon, received better training on systematic lines.

The Union, in the past, had seen that promotions were made by seniority only within the confines of a department. This system, with all its drawbacks, was discarded and the accent now placed on ability. A system of departmental transfers was introduced to enable clerks to get the type of work for which they have a natural aptitude. The field of promotions for clerical staff thus broadened immeasurably. Both in recruitments, and in promotions an assessment was now made of the requirements of the post, the responsibility attached to it, the qualifications necessary and the skill and experience required.

This procedure has resulted in raising efficiency.

To gauge the work performed in each department in relation to its man-power, a Committee known as the Establishment Review Committee was constituted to study in detail the nature of duties and work performed by clerical staff in each department. Redundant staff were reduced and maximum efficiency obtained at the minimum expense.

An account of the administrative achievements will not be complete without a mention made of the re-organization work done in the Stores Department. The Stores Department of the Board holding stores to the value of K 60 lakhs and with over 13,000 separate items on its books was quite neglected at one time. Its accounting procedure needed revision, the goods were haphazardly stored and no effort was made to stop deterioration.

Under General Ne Win's Government, goods are more conveniently stacked and sorted, the storage space planned systematically and regular maintenance made to stop deterioration. The system of issues and receipts have been revised and attempts made to clear away dead stock which had at one time caused much confusion in the stores.

V. Union of Burma Shipping Board

Soon after General Ne Win took over the Government, the Management reviewed the past activities of the Shipping Board and reported the result to the Government with necessary recommendations. In compliance with the Governments' instructions, the Management carried out economy measures by retrenchment of its staff and rigid control of expenditure.

The result has been great improvement in discipline and efficiency in the remaining re-organized staff. By proper control of expenditures regarding maintenance, repairs

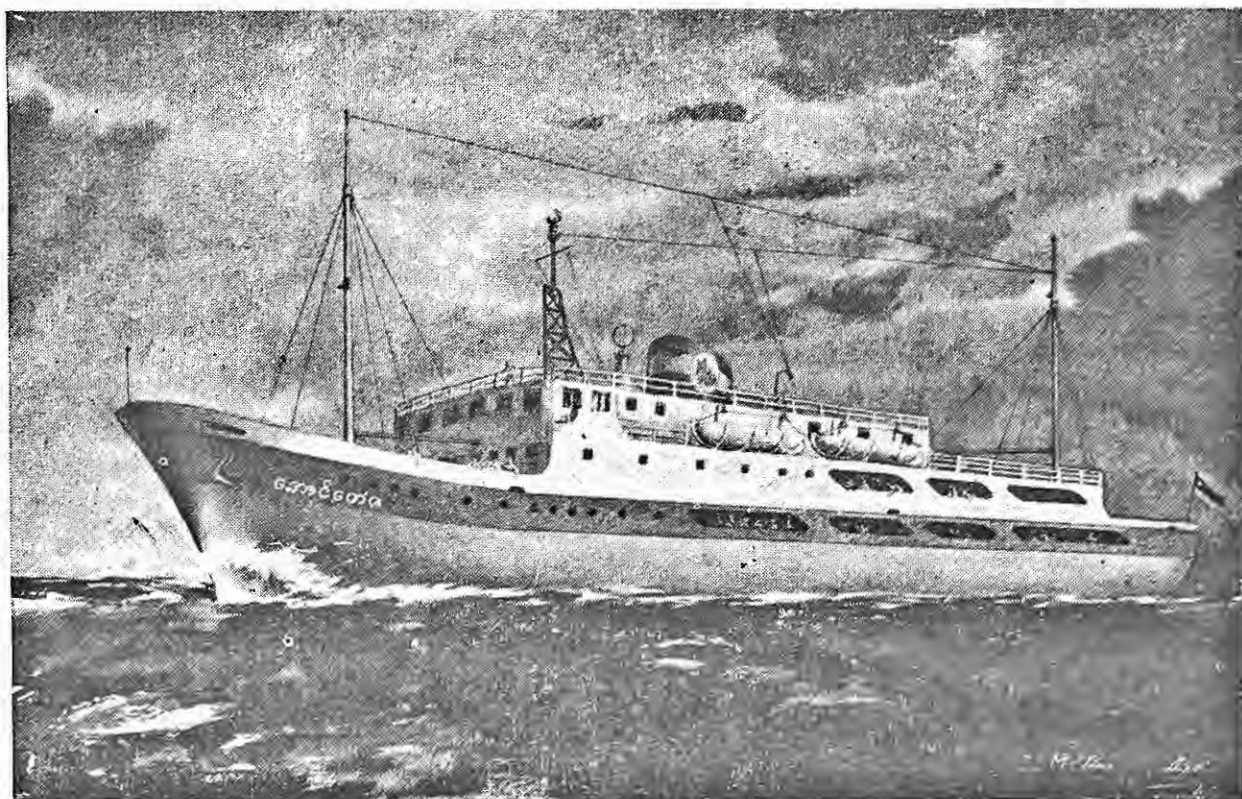
docking and supplies, the Board has been able to save over K 8 lakhs within the first nine months of 1959.

Two Burmese nationals have been appointed as Master and Chief Engineer on two of the Board steamers. A new scheme for training Burmese marine cadets, with twelve weeks basic training with the Burma Navy and later employment on board the Board's vessels is being introduced. Services of foreign Ship's Officers are being terminated as more qualified Burmans are available to replace them.

The most outstanding achievement of the Board during General Ne Win's Government is the construction of two coastal passenger-cum-cargo steamers, namely, M.Vs. *Aungteza* and *Aungzeya*, each about 750 gross tonnage, for service along the coast of Burma.

The existing passenger-cargo vessel, S.S. *Pyidawnyunt* and S.S. *Pyidawaye*, though originally designed and intended for coastal service, are found to be quite unsuitable for the purpose because of deep draft and heavy operating costs. These vessels are to be replaced by MVs *Aungteza* and *Aungzeya*, which are now under construction in Japan and are likely to be delivered in May 1960.

The new vessels are built under the highest standard of Lloyds' Classification Society and in accordance with the latest safety regulations and conventions and passenger rules. They will be equipped with all modern navigational aids such as radar, direction finder and echo sounder. Their initial cost and operating expenditure are estimated to be about a third of those of the existing P-Class vessels.



An impression of one of the two Shipping Board's passenger-cum-cargo vessels under construction in Japan

Social Service

Social Service

- 18. MINISTRY OF LABOUR
- 19. MINISTRY OF PUBLIC WORKS, NATIONAL HOUSING
AND REHABILITATION
- 20. MINISTRY OF EDUCATION
- 21. MINISTRY OF INFORMATION
- 22. MINISTRY OF CULTURE
- 23. MINISTRY OF SOCIAL WELFARE, RELIGIOUS AFFAIRS,
RELIEF AND RESETTLEMENT
- 24. MINISTRY OF HEALTH
- 25. MINISTRY OF CO-OPERATIVES AND COMMODITY
DISTRIBUTION

Ministry of Labour



Brigadier Tin Pe, Minister

The Ministry of Labour has under its administrative organization the following departments and boards:—

1. *Directorate of Labour Affairs.*
2. *Inspectorate of Factories and General Labour Laws.*
3. *Dock Labour Board.*
4. *Union of Burma Stevedoring Board.*
5. *Social Security Board.*

I. Directorate of Labour Affairs

Hitherto, although the offices of the Director of Labour, the Chief Inspector of Factories and General Labour Laws, the Social Security Board, the Stevedoring Board and the Dock Labour Board were under the same Ministry and were interrelated in their functions, lack of co-operation between these organizations not only hampered the success of these Departments but also there were misunderstandings amongst them.

With a view to eliminating these differences and to enlist co-operation and co-ordination from these Departments, the post of the Director-General of Labour Affairs was created with the result that there was

remarkable progress in the work of these Departments.

To be able to deal firmly with the complex labour problems and to implement the broad policy which was laid down by Bogyoke Government, Lt.-Col. *Zeya Kyaw Htin*, *Thiri Pyanchi* Chit Khaing (Burma Army) was appointed as Director-General of Labour Affairs in addition to his appointment as Additional Secretary (Executive), Ministry of Labour. Lt. Commander *Zeya Kyaw Htin* Maung Maung Gyi (Burma Navy) was appointed as Deputy Director-General of Labour Affairs and Captain *Zeya Kyaw Htin* Tin Sein and Lt. Aung Myint as Deputy Directors of Labour (3) and (4) respectively. No major changes were effected in the Directorate of Labour

except that *Thiri Pyanchi U Khint Maung*, the Director of Labour was appointed as the Additional Director of Labour for administrative convenience.

Formerly the Directorate of Labour used to deal with Trade Disputes only when the workers themselves filed their complaints or when labour organizations such as TUC(B) and ULO requested the Directorate to interfere in the dispute. However, the bulk of the workers were unable to enjoy their rights and privileges which are accorded by the labour laws, because of their ignorance, fear of reprisals by the employers and due to lack of leaders to champion their just causes.

To remedy this undesirable situation and to protect the rights of the workers, it was felt that a special intelligence section was necessary in the Directorate of Labour. To staff this section without creating new posts the Director-General of Labour Affairs, as a temporary arrangement, had to transfer the headquarters of the Labour Officers of Tavoy and Lashio, and TUDO Moulmein to Rangoon.

These Officers, together with a Conciliation Officer from the Headquarters of the Directorate of Labour were charged with the duty of investigating and reporting about various matters pertaining to labour in Rangoon and suburbs. Due to their efforts workers' genuine grievances were taken up promptly and employer-employee relationship improved considerably.

In the Constitution of the Union of Burma the duties and obligations of the Government in regard to the labour matters are provided as follows:—

“31. By economic and other measures the State may assist workers to associate and organize themselves for protection against economic exploitation.

The State shall protect workers by legislation intended to secure to them the right of association, to limit their hours of work, to ensure to them the

right to annual holidays and to improve working conditions and as soon as circumstances permit by promoting schemes for housing and social insurance.”

The main task of the Directorate of Labour Affairs is to implement these provisions. Furthermore, when General Ne Win took over the reins of government from ex-Prime Minister U Nu, he promised among others, to take necessary steps for bringing down the cost of living and the conducting of a free and fair election both of which have direct bearing on labour matters.

(A) LABOUR LEGISLATION

The following Acts connected with Labour matters are in force at present in this country:—

- (1) The Dock Worker's (Regulation of Employment) Act.
- (2) The Payment of Wages Act.
- (3) The Workmen's Compensation Act.
- (4) The Trade Unions Act.
- (5) The Trade Disputes Act.
- (6) The Employment Statistics Act.
- (7) The Minimum Wages Act.
- (8) The Oil Fields (Labour and Welfare) Act.
- (9) The Leave and Holidays Act.
- (10) The Shops and Establishment Act.
- (11) The Factories Act (1951).
- (12) The Social Security Act.
- (13) The Employment and Training Act.

Of these Acts some are the legacy of the British regime and some enacted after the attainment of Burma's Independence.

The object in enacting these Acts was to safeguard the workers from exploitation but as certain provisions contained in some of the Acts conflict with those in some other Acts, the workers' rights and privileges were jeopardised.

With a view to reconsidering the conflicting provisions in these Acts and to make amendments in conformity with the changing conditions, the Labour Legislation

Committee was reconstituted with Lt.-Col. Chit Khaing as Chairman, U Sein Tun, (Advocate), U Khint Maung (Director of Labour), U Sein (Chief Inspector of Factories and General Labour Laws) and U Aunt Gyaw, BOC (BT) as its members and U Nyunt Hla, acting as its Secretary.

(B) TRADE UNIONS (AMENDMENT) ACT, 1959

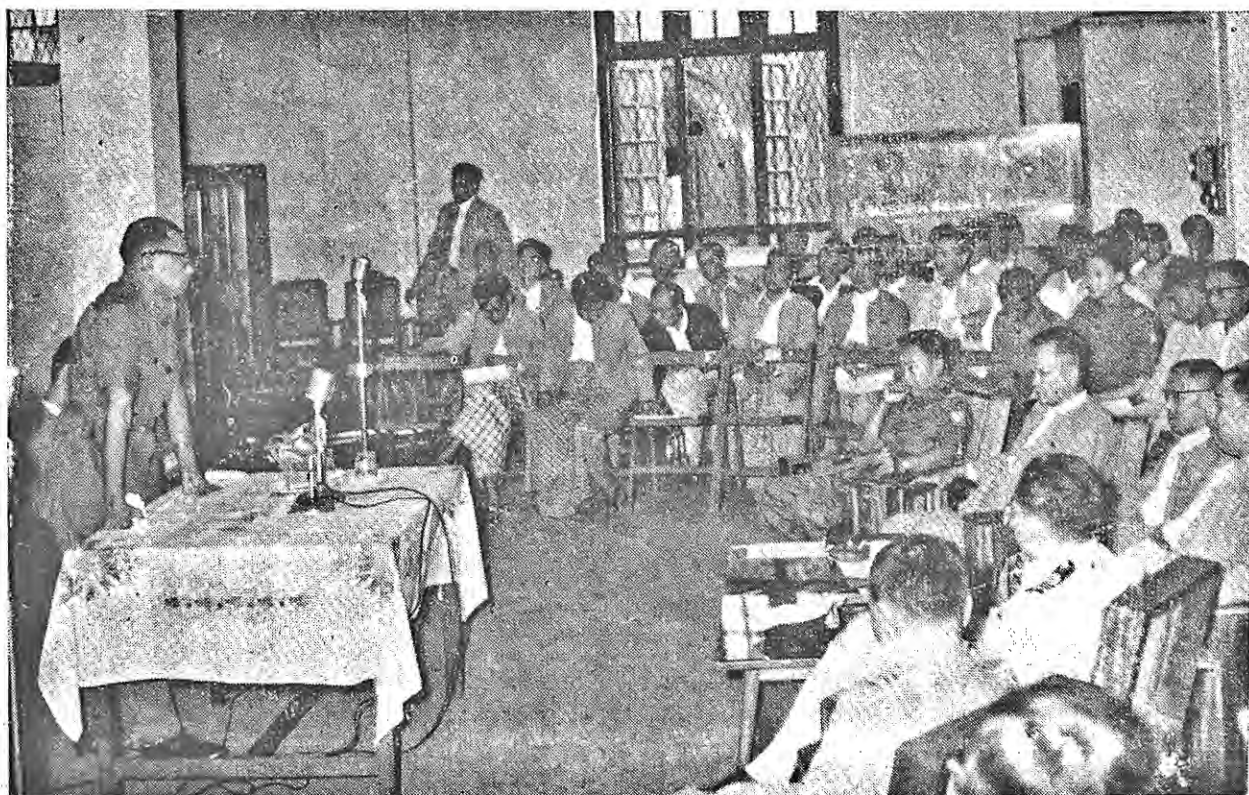
Just as the two main factors, namely, man-power and materials are essential in establishing the economy of a country, so it is natural that the employers and the employees exist side by side in every industry and undertaking. Only when both the employers and the employees respect their duties and obligations to each other, there will be stability, progress, increase in out-put and production.

In addition, harmonious employer-employee relationship will contribute towards the raising of the living standards of the community in general. Generally speaking, being wealthy, intelligent and having

organized themselves into strong employers' associations, the employers are better off compared to the workers who are subjected to exploitation. In order to safeguard the workers from being exploited, the need arises to stimulate, a strong, healthy and responsible trade union movement with a view to lead and educate the workers to live in peace and to struggle lawfully for their social and economic betterment.

It is also necessary to take precautions to ensure that the leaders of such unions are capable of presenting the causes of the workers in a proper way after taking into consideration the economy of the country and without impairing the good relationship between the employers and the workers and that they are not the persons likely to misuse the funds of the unions collected from its members for their own benefit or for the benefit of the political parties to which they belong.

The responsibility of enacting necessary legislation to give such protection to the workers rests with the Government. The



Labour Minister addresses annual conference of Labour officials

Trade Unions Act of 1926 failed to afford such protection. Under the Act, the union could have a separate political fund, and was eligible for registration when any seven of its members apply for registration.

Outsiders were also permitted to serve as executive committee members of the union with the result that former trade unions became the hunting grounds of the party politicians. The workers also became dis-united and their hard-fought privileges and rights were on the verge of collapse. On many occasions the trade unions assumed the role of dictators and oppressors of the workers instead of being their benefactors as they should be. In some places not only the workers but also the employers were bullied by them.

In the interest of the country, the employers and the employees, the Trade Unions (Amendment) Act, 1959 was presented to and passed by the Parliament and came into force on the 15th December 1959. According to this Amendment Act a trade union can only be registered when the total number of its members comprises more than half the number of workers in the establishment; outsiders are not allowed to become members of the union; party politicians are banned from becoming officers of the trade union; establishment of a political fund is not permitted; and the funds can be utilized only for the benefit of the workers.

The trade unions, therefore, will now be able to confine their activities only to labour matters and will be free from the undesirable influence of party politics. The workers will also be able to think, decide and vote freely on their own will and pleasure instead of being coerced and bullied by the politicians.

As the duties of the Directorate will be greatly increased when the Trade Unions Amendment Act, 1959 is enforced steps are now being taken to re-organize the staff of the Directorate of Labour.

(C) RESTRICTION ON ENGAGEMENT ACT, 1959

(1) *Man-power*.—In calculating the man-power resources of a country, the children and aged persons are usually excluded. The available man-power is again classified into male and female resources and this in turn should be distributed in accordance with the needs of the country's economy.

In planning the economic programmes of a country, it should be noted that man-power is a limited factor which cannot be increased or expanded at will. Thus in the distribution of man-power, it is important not to cause over-employment or under-employment so that no wastage occurs.

Man-power may be divided as follows:

- (1) Man-power for agriculture.
- (2) Man-power for industry.
- (3) Man-power for administration of the country.
- (4) Man-power for Defence.

Therefore, distribution of man-power is a very important factor in drawing up plans for the development programmes of the country. It is necessary to ascertain the number of skilled, unskilled, semi-skilled workers available for each industry in the early stage of any ambitious programmes of economic development. It is also required to provide training facilities according to the needs of the industry.

To economize man-power in agriculture, it is essential to mechanize agriculture; to utilize women and child labour whenever necessary and to encourage mobility of labour from a surplus to deficit area. To ascertain the nature and scope of these problems, it is high time that a man-power survey programme should be initiated.

(2) *Solution of unemployment problem*.—The International Labour Organization had adopted Convention Nos. 2 and 88 to solve unemployment problems and to establish Employment Exchanges in the member states. Following ratification of these

Conventions, the Union of Burma, had opened the Rangoon Employment Exchange in 1946 and Mandalay Exchange in 1948. To give statutory backing to these two Exchanges, the Employment and Training Act was enacted in 1950. The use of these Exchanges was on a voluntary basis, with the result that very little success was obtained in the work of the two Exchanges.

From 1946 to 1959 out of 80,000 unemployed persons registered in Rangoon Exchange only 30,000 could be placed in employment. In Mandalay, about 25,000 persons were registered out of which 15,000 were placed. It may be mentioned that out of the persons placed in employment, the number of unskilled workers far exceeded those of the skilled workers. Under this system, the employers are at liberty to appoint anybody they choose and therefore those who are able to give employment took advantage of this situation, and thus bribery and corruption became common.

Those who looked for employment not only had to go round visiting various offices but also became subject to exploitation of middle-men. Employers also failed to obtain workers with requisite qualifications. On the other hand, skilled and qualified persons did not get opportunity to work in appropriate jobs, and thus the country's man-power could not be utilized to the fullest extent.

In order to solve these problems the "Employment Restriction Bill, 1959" was introduced and passed by Parliament, according to which vacancies in establishments having more than fifty workers will be required to use the services of the Employment Exchanges which will be opened throughout the country. It is hoped that unemployment problem will be solved to a considerable extent through the work of these Exchanges and from the statistics kept at these Exchanges man-power survey could be conducted for the economic planning of the country.



A 70-year old oilfield worker in working gear

(D) TRADE DISPUTES ACT

In growing enterprises, employers and employees are bound to differ when grievances are put forward in regard to unsolved problems which existed before. Whenever such problems occur, workers usually resort to making unreasonable demands, and employers on the other hand try to oppress them in various ways. It is, therefore, the responsibility of the Labour Department to undertake the work of conciliation and mediation to maintain industrial peace.

In order to maintain harmonious employer-employee relationship the Trade Disputes Act, 1929 was enacted. This Act which had been drawn up during the colonial days, no more suited the present labour conditions of an independent country, and although amendments were supplemented, it did not serve any useful purpose particularly to the workers. The authority given to Conciliation Officers were not clearly defined. The set-up and procedure of Industrial Court on the other hand is also too judicious and its jurisdiction not clearly defined. A new act is now being drafted to meet the present day requirements. It is intended to include workers, under the proposed Act.

(E) LABOUR MATTERS

(1) *Dock Labour Board*.—In Burma, the chief means of transportation in regard to imports and exports being mainly by waterways, loading and unloading work to and from ocean going vessels plays an important role in the country's economy.

Before the war, the loading and unloading work had been solely in the hands of foreign employers. Since labourers were employed through middle men, these labourers were subjected to the wholesale exploitation by these intermediaries.

This stevedoring work was later nationalized by the Government and dock labour was controlled by the Dock Labour Board.

Though the aim and object of the Board was good, it did not achieve the desired result due to lack of proper management.

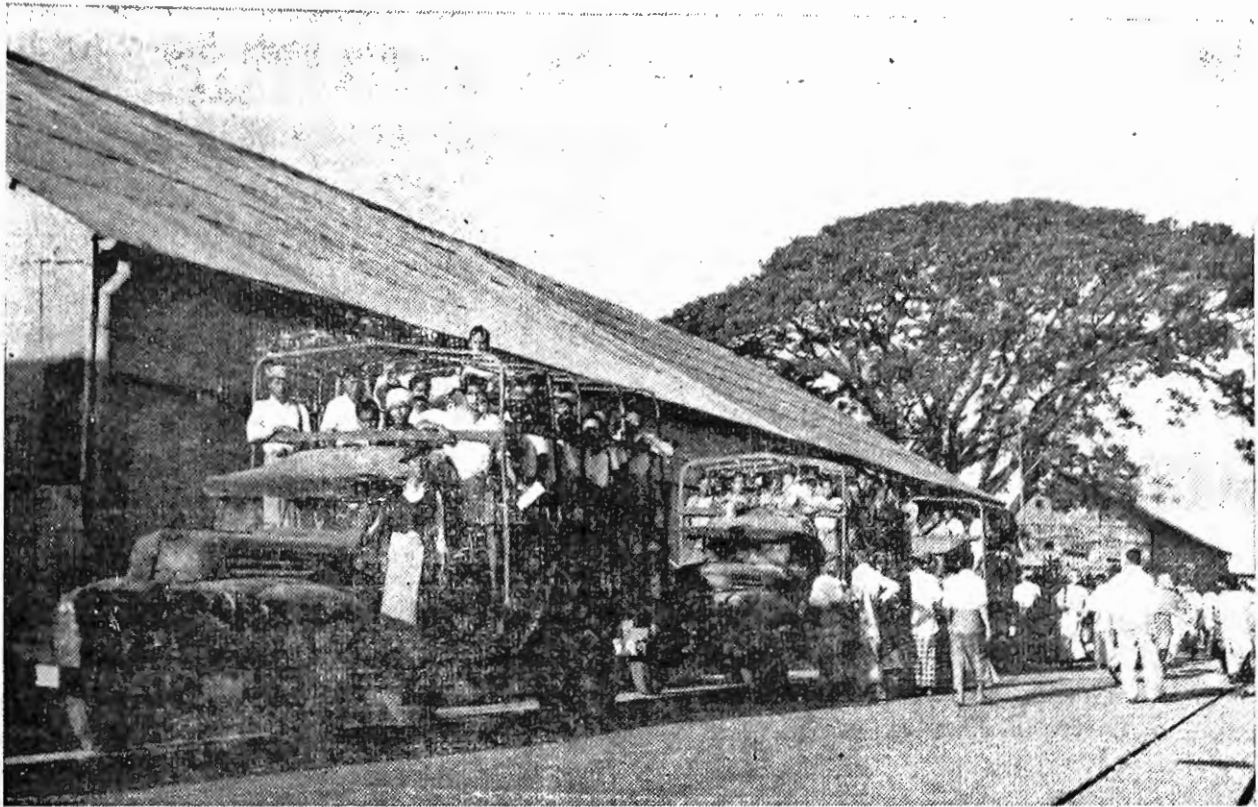
In setting up the administration machinery of the Board, workers' representatives were included but these representatives not only overlooked the welfare of the workers they represented but also resorted to exploitation of labourers for their own benefit.

A labourer who wished to have his name registered had to pay from K 50 to K 100 as a bribe. If he wished to be enrolled as a permanent labourer he had to pay again about K 100. An ordinary labourer had to pay K 2,000 to K 3,000 if he desired to become a Supervisor.

The Supervisors taking advantage of this unfair practice, worked with four men short instead of two. For example, in a gang of 16 there were actually 12 working men, but they drew full wages for 16. Some of the Supervisors did not come actually to the work-place on board. Sometimes wages were not disbursed to the workers as soon as work was over.

These labourers naturally, did not put much effort in their work. Since only 12 men had to work instead of 16, the amount of work done was not at all satisfactory. The labourer employed in the Board often resorted to stealing because they did not receive the full wages for the work done. There was not only individual pilfering but there was also organized stealing by gangs and thus the port of Rangoon earned a bad name internationally. Loading and unloading rates became high and accordingly prices of goods went up.

During Bogyoke's regime, the Dock Labour Board was reorganized and strict measures adopted in its management, with the result that pilfering disappeared, the gangs turned out in full strength and worked with heart and soul and breakages and losses fully eliminated.



SAMB labour force en route to work

The workers now received full wages for public holidays, which they did not receive before. Transport had been arranged to facilitate the workers to attend to their work. Moreover, to enable workers to obtain foodstuffs and clothing at cheaper rates, arrangements have been made to open a shop and construction for the same has already commenced.

Workers, being illiterate, it would be more befitting to educate them and make them realize their responsibilities rather than to give them punishment. With a view to raising their standard of living, creating in them a sense of attachment to the places of work, fostering cordial relationship among them, and providing education for their children, clean and modern 4-unit brick buildings, each unit being provided with two sleeping rooms, drawing rooms, kitchen, bathroom complete with water and lights, are now under construction at Laydaung-gan, Thingangyun. This will form a model town for workers.

Previously there were no devices by which workers could be easily identified. Thus bad hats could easily pass off as workers and it would not be easy to differentiate quickly whether a worker or an outsider had done something wrong. The workers wore whatever they liked and as they would not appear presentable in the eyes of the foreigners, they are being provided with uniforms.

Due to the success of the new system of loading and unloading at the port, waiting period for completion of loading and unloading has been cut down and ships awaiting clearance and loading at port could now leave after four or five days instead of ten days as before.

(2) *The SAMB Labour (Regulation of Employment) Board.*—Hitherto the labourers working under the State Agricultural Marketing Board obtained work at the pleasure of the labour unions which exploited them. So as to secure employment they had to bribe the gang-in-charge ;

certain percentage of their wages were deducted after getting employment. They did not get their day's wage on the same day and they had to borrow at 10% interest per day.

Thus about 30% of their wages was reduced when they drew their wages. If they were disliked by their supervisors, they were liable to be discharged and if they were not on good terms with those persons who allocate work, they would be posted to work that earned less wages.

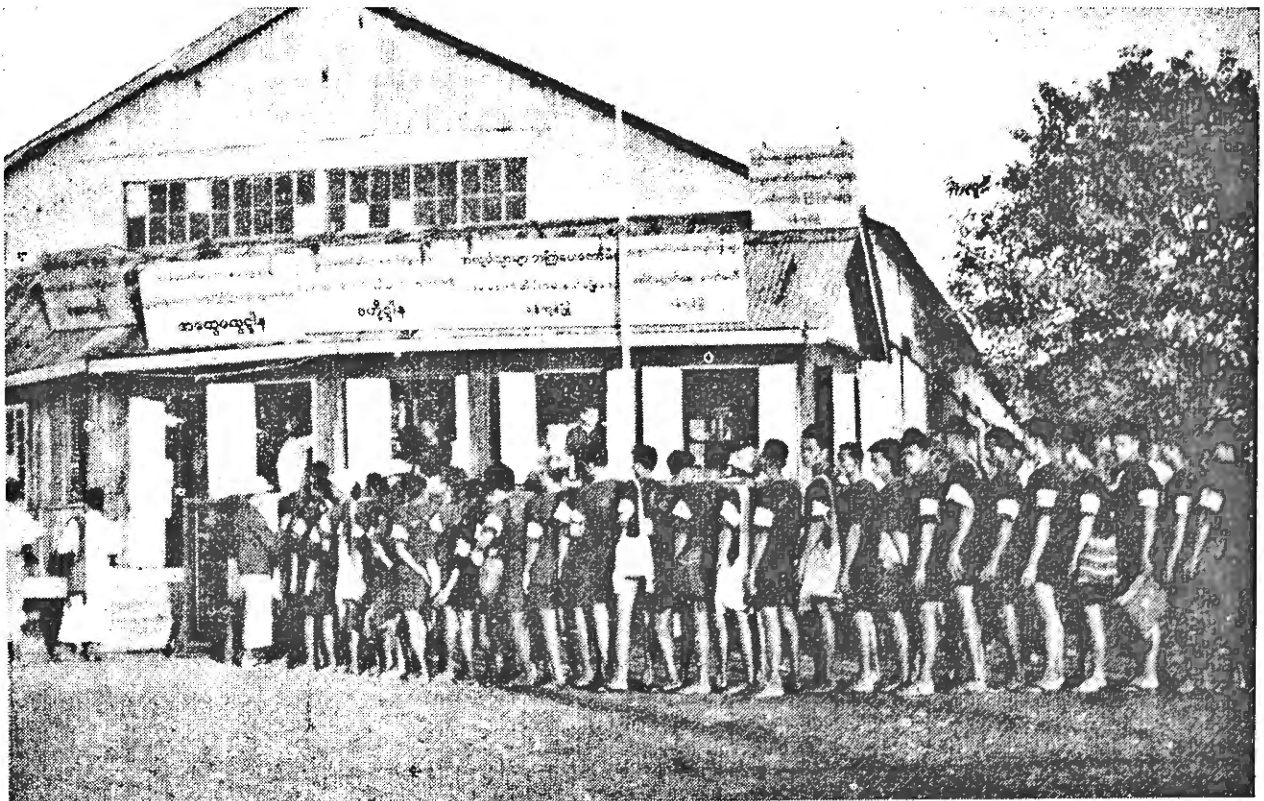
The leaders frequently fought among themselves because of the domination of various political parties. In collaboration with bad hats some stole rice with the result that there was a great financial loss to the public.

To solve all these problems, the SAMB Labour (Regulation of Employment) Board was formed under the SAMB Labour

(Regulation of Employment) Order, 1959. The Board started functioning on the 1st of November 1959.

With the establishment of that Board it has been possible to reduce the handling rates by 16%. Thus SAMB can save about kyat ten lakhs a year and workers are getting much higher income than before and get paid on the same day. As work is allocated in turn, they are getting equal wages. Because of the improvement in the terms and conditions of service the workers work harder and thus losses and damages are very much reduced.

Arrangements to provide housing, medical facilities and education to their children are underway as in the case of foreshore labourers. Necessary action is also being taken to bring these workers under the scope of the Social Security Act.



Lanmadaw foreshore dock labour force in distinguishing uniforms queue up in orderly line for task assignment .

(3) *Employment Control Order*.—Of the various classes of workers, those who work on Foreshores and Railway Stations have no permanent employers, enjoy no definite terms and conditions of employment, nor any prescribed rate of wages and thus their lot is unenviable.

Although there was no such thing as oppression by the management, they suffered due to the existence of gang systems. Lanmadaw Jetty was the worst of all. In pre-war days the Lanmadaw Jetty was controlled by a notorious bad hat called Lanmadaw Po Toke, and his gang. Whoever wanted to work as a labourer in the jetty had to become their followers. They had to work in places allotted to them, eat whatever they were given, take only so much that was given, and did whatever they were ordered to do, but they had no right to raise any question in regard to their wages.

Po Toke and his gang ruled the labourers with an iron fist. The workers did not know exactly what were the terms and conditions of employment. Those who did not obey orders were not only liable to be manhandled but sometimes killed. In spite of the hard work they had rendered, they had to cope with empty stomachs. As they were not certain of their next meal, they could not think of their future, nor of their employment security nor education of their children. Acute poverty rapidly converted them into bad characters.

Even among workers, one could hope to get some privileges only when he could show his strength and thus pity, kindness and consideration for others diminished, with the result that bullying and gang warfare increased greatly.

After Independence, although Po Toke was no more, workers were still under the domination of Po Toke's followers. Before the split in AFPFL, TUC(B) formed a Workers Co-operative and controlled them through this organization. Although the

Co-operative was formed by the workers, they had to be contented with whatever they were given and could not enjoy any profits made by the Co-operative. Only those who assumed the role of leaders enjoyed the privileges and facilities. Workers had no right to inspect the books maintained by the Co-operative.

To get employment, they had to promise to bribe the so-called leaders, and their wages were cut accordingly. As soon as they got employment, they had to borrow money at exorbitant interest to maintain themselves before they got wages for their work.

They did not get their wages in cash daily but only got one kyat per day for food and as such they were compelled to borrow money from supervisors at 10% interest per day which was deducted from their wages when they drew their wages once a week. In this way workers were paying the interest of about 40% from their monthly income. Although the principle was to share the wages equally, supervisors and those workers who are on good terms with the supervisors got paid without coming to work.

The wages earned by 10 men had to be divided into 15 shares with the result that the workers did not get their due wages. On top of that, about 30% cut were effected on various grounds, and thus a workman could not get even half of his normal wages. The workmen knew all these facts but dared not show any signs of dissatisfaction. Those who showed their feelings were either thrown out of employment, or severely manhandled or murdered.

During Bogyoke Ne Win's Premiership, (1) The Rangoon Foreshore Labour Employment Control Order, 1958; (2) The Rangoon Foreshore Employment Control Regulations and (3) The Employment Control Order, 1959, were passed and enforced in 19 Foreshore areas and Railway Stations including all Rangoon Foreshore areas, and steps are

being taken to extend to 17 more areas. The main aims and objects of these Orders and Regulations are:

- (1) To do away with private monopolistic organizations and profiteering.
- (2) To give employment only to *bona fide* labourers.
- (3) To let the workers get reasonable amount of wages.
- (4) To maintain proper accounts of the funds.
- (5) To prevent malpractices and unfair dismissals from work.
- (6) To promote the welfare of the labourers.

The Rangoon Foreshore labourers are now enjoying security of employment as a result of the fact that their terms and conditions of employment have since been drawn up. The accounts of the wages earned by each of them are now systematically maintained and payments are made to them at the end of each day with the result that they get their share of wages without being exploited as in the past.

As the members of the Welfare Committee are elected from among the workers themselves, the following advantages are enjoyed:—

- (1) Provision of suitable medical facilities for rendering emergency aid to injured workmen and opening of a dispensary in each zone with a doctor, a compounder and a dresser.
- (2) Opening of a food stall under the supervision of the Welfare Committee where a worker can get wholesome meals at 65 pyas.
- (3) Opening of hair dressing saloon where a worker can get cheaper but satisfactory service.
- (4) Grant of leave with full wages to workmen who are unable to attend work due to injuries sustained in the course of employment.

- (5) Holding of festivals according to the religious customs of the workers concerned.
- (6) Arrangements of transport at cheap fares to and from place of work, and provision of free transport to those who have to work late.
- (7) Payment of financial assistance to the dependents of deceased workmen according to the size of the funds and other required assistance in regard to the performance of funeral rites.
- (8) Free distribution of suitable uniforms.

Apart from the above-mentioned advantages, arrangements are also being made to implement the following:

- (1) Medical aid to the dependents of workmen.
- (2) Establishment of a workers' town.
- (3) Provision of free education to the children of the workers.
- (4) To extend the benefits of the Social Security Scheme and to maintain a Provident Fund.

Apart from the advantages enjoyed by the workers, the employers are also benefited in that they find it easier to deal with a systematically organized labour force instead of unreliable and ill-disciplined workmen as in former days. The rates for loading and unloading have also been reduced by about 5 per cent as a result of the revision of rates jointly made by representatives of employers, workers, and Government. In the absence of breakage and pilferage, and as the workers are putting their hearts and souls in their work there is now a smooth flow of commodities to and from Rangoon with less expenses.

In places other than Rangoon where the Employment Control Order applies, the workers are becoming more organized, better disciplined and are enjoying better privileges than before.

The following statement shows the average income of a workman before and after the

enforcement of the Employment Control Order:—

Name of Foreshore (1)	Before AFPFL Split		After AFPFL Split		During Bogyoke Government		Remarks (8)
	Daily (2)	Monthly (3)	Daily (4)	Monthly (5)	Daily (6)	Monthly (7)	
Lanmadaw ...	K 5'00	K 120'00	K 4'00	K 90'00	K 7'00	K 200'00	Previously the employees could not get wages every day. The income before Bogyoke's Government was gross income from which further cuts are made on various grounds whereas the present income presents net income.
Botataung ...	4'00	90'00	3'00	70'00	5'15	154'50	
Pazundaung ...	4'00	90'00	3'00	70'00	5'00	150'00	
Hteedan ...	3'00	80'00	2'50	60'00	3'68	110'00	

(4) *Minimum Wages Orders.*—The Government of the Union of Burma has enacted the Minimum Wages Act in 1949 to make provisions regulating the wages of workmen engaged in commercial and industrial undertakings so as to enable them to earn fair wages and for the regulation of equitable terms and conditions of service under which such workmen are employed. Under the provisions of Minimum Wages Act, the Minimum Wages Council for Rice Milling Industry had already been formed in 1956. Minimum Wages Orders for 15 Districts had been made on 15th August 1958. During the regime of Bogyoke Government Lt.-Col. Zeya Kyaw Htin, Thiri Pyanchi Chit Khaing, Director-General of Labour Affairs acted as Chairman of Minimum

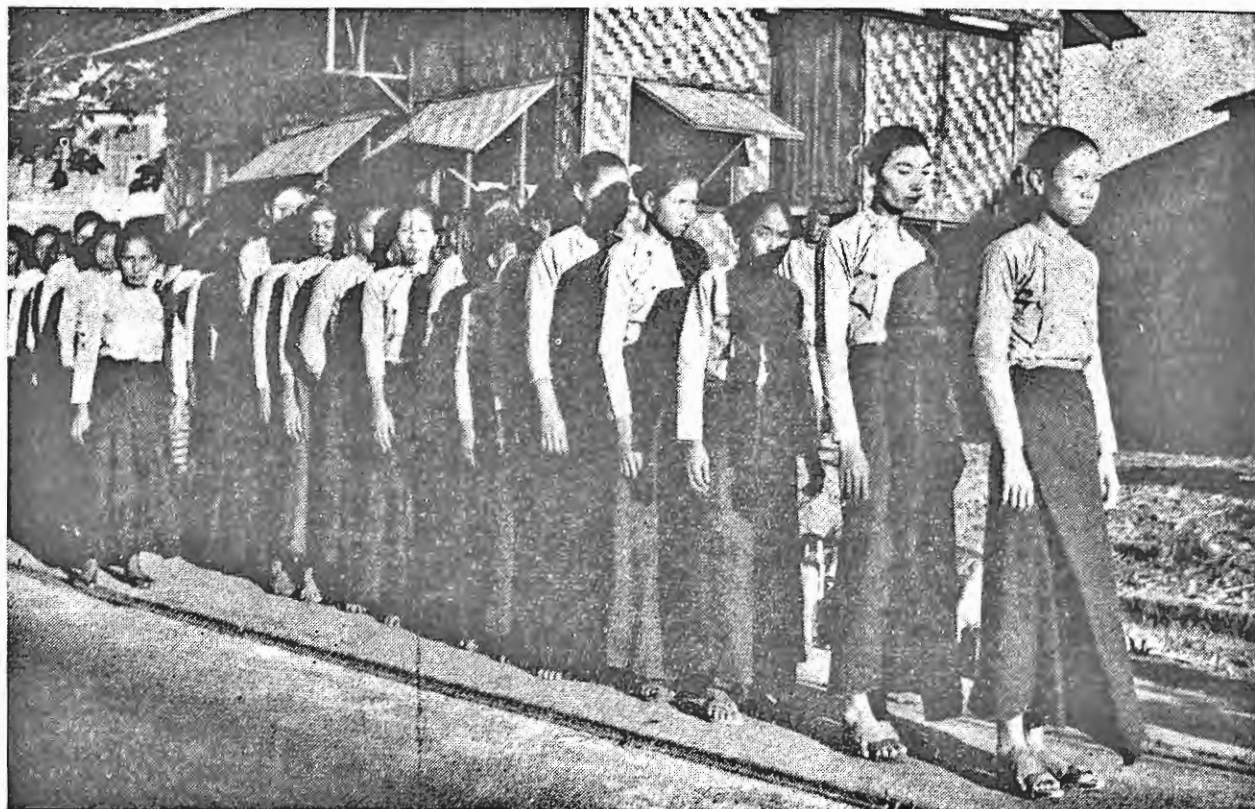
Wages Council and Minimum Wages Order for the following Districts have since been published.

Monthly, daily and piece rate workers engaged in about 1,000 rice mills in the districts mentioned above have now enjoyed minimum wages, holidays and holiday remunerations.

The Minimum Wages proposal for Taovy District has already been put up to the Government.

(5) *Yenangyaung Oilfield Rehabilitation Board (YORB).*—When the BOC Ltd. left Yenangyaung on grounds of insecurity from internal insurrection; and insufficient production of crude oil, several workers and their dependants had to face the danger of starvation.

District (1)	Notifying Minimum Wages Orders (2)	Date of enforcement (3)	Remarks (4)
Prome and Tharrawaddy ...	22-4-59	1-5-59	For daily and salary wage earners and piece rate workers.
Henzada ...	24-4-59	5-5-59	
Pyapon, Myaungmya and Maubin.	11-6-59	25-6-59	
Toungoo, Yamethin and Meiktila.	6-1-59	15-1-60	
Mergui ...	3-2-60	15-2-60	



Women labourers at the docks are also fitted with uniforms

The BOC without considering the plight of workers and their families, gave the sole right of its prospecting licence to those who were on good terms with them. Consequently, the Union Government in April 1955 took over some of the abandoned wells and handed over to MRDC to operate under primitive methods as an interim project, so that the oil wells may not lie idle and the workers do not lose their livelihood.

This project was however exploited for political purposes and many outsiders were registered as workers and paid wages without working. Some dishonest people, in league with some workers, got by unfair means crude oil and other stores and sold to black market. No efforts were however made to maintain and to improve oil wells, thus causing damage to casings of the wells.

Since outsiders were registered as *bona fide* workers under political influence, the number of workers far exceeded the actual requirements. To make matters

worse, some favoured gangs got more postings than others and thus the distribution of income was not fair.

With the suspension of the MRDC under General Ne Win's Government the entire administration of the activities of the YORB were transferred to Director-General of Labour Affairs with effect from 1st April 1959 in view of the fact that the project was mainly concerned with labour problems. Captain Ba Htwe (of Burma Army) was appointed as Manager of the YORB and an Administrative Board was constituted comprising officers from Army, Civil and Police. Since then the following achievements were made:

- (1) Weeding out of outsiders who get wages without attending to work.
- (2) Stamping out pilferage of oil.
- (3) Systematic maintenance of stores and other properties.
- (4) Systematic reorganization of gangs, thereby increasing output.

According to BOC, the oil wells in Yenangyaung are getting dried up. However, Mr. Lupu, a Geologist Expert, who had about thirty years' experience in oil business and who was in the employ of the Burma Cement Board at Thayetmyo, was asked to inspect the oil wells at Yenangyaung. According to Mr. Lupu, the wells still have a good producing capacity and the production could be much increased if bailing is operated by modern methods and the gas wells which are lying idle in the field could be utilized to advantage. However, it is not yet feasible to make extensive improvements in the Yenangyaung Area in view of the agreement between the BOC and the Union Government which is still in force. Geologic survey maps of the oil wells of the Yenangyaung area being kept in the safe custody of the BOC Head Office in United Kingdom and no permission being obtainable to peruse them, it has not yet been possible to make extensive surveys for securing increased production of the existing oil wells. It has also been not possible to obtain the records of the wells from the BOC.

A copy of the draft scheme planned to increase production by mechanization on an economic basis has been submitted to the Ministry of Mines.

(6) *Supervisory Development Programme.*—The Supervisory Development Programme is concerned with the development of the three skills of supervision, each forming an essential feature of supervision and necessary to all supervisors at all levels in industry, public services and commerce. The three essential skills of a supervisor are skill in instructing, skill in leading, and skill in improving methods.

In order to develop these basic skills for the supervisors of all levels in Government, Boards and private enterprises, three TWI programmes have been conducted in all organizations which have agreed to the introduction of the TWI Scheme.

During the period under report, nine organizations have agreed to accept the TWI Scheme, thus making a total number of 33 organizations where TWI Scheme have been introduced.

The following is the statement showing the number of supervisors who had attended Supervisory Training Courses during the period 1st November 1958 to 31st December 1959:

<i>Programme.</i>		<i>No. of Supervisors.</i>
1. Job Instruction	...	124
2. Job Relations	...	219
3. Job Methods	...	45
Total	...	388

The following statement shows the number of supervisors trained through three TWI Programmes in various Government and private organizations up till 31st December 1959:

<i>Programme.</i>		<i>No. of Supervisors.</i>
1. Job Instruction	...	1,388
2. Job Relations	...	1,353
3. Job Methods	...	464
Total	...	3,205

(F) EMPLOYMENT EXCHANGES

The following is a comparative statement showing the working of the Employment Exchange, Rangoon, and Employment Exchange, Mandalay, during Bogyoke's Government and previous years :

(1) *Rangoon Exchange*

<i>S.N.</i>	<i>Particulars.</i>	<i>Nov. 1956 to Dec. 1957</i>	<i>Nov. 1957 to Dec. 1958</i>	<i>Nov. 1958 to Dec. 1959</i>
1.	Registrants	5,476	6,040	19,467
2.	Vacancy Orders	3,450	3,979	14,546
3.	Submissions to Employers	3,760	4,880	14,761
4.	Persons placed in employment	2,971	3,549	12,829

(2) Mandalay Employment Exchange

S.N.	Particulars.	Nov. 1956 to Dec. 1957	Nov. 1957 to Dec. 1958	Nov. 1958 to Dec. 1959
1.	Registrants ...	2,630	2,105	2,313
2.	Vacancy Orders ...	2,340	1,714	1,558
3.	Submissions to Employees ...	2,756	2,171	2,097
4.	Persons placed in employment ...	2,364	1,650	1,414

(G) INDUSTRIAL RELATIONS

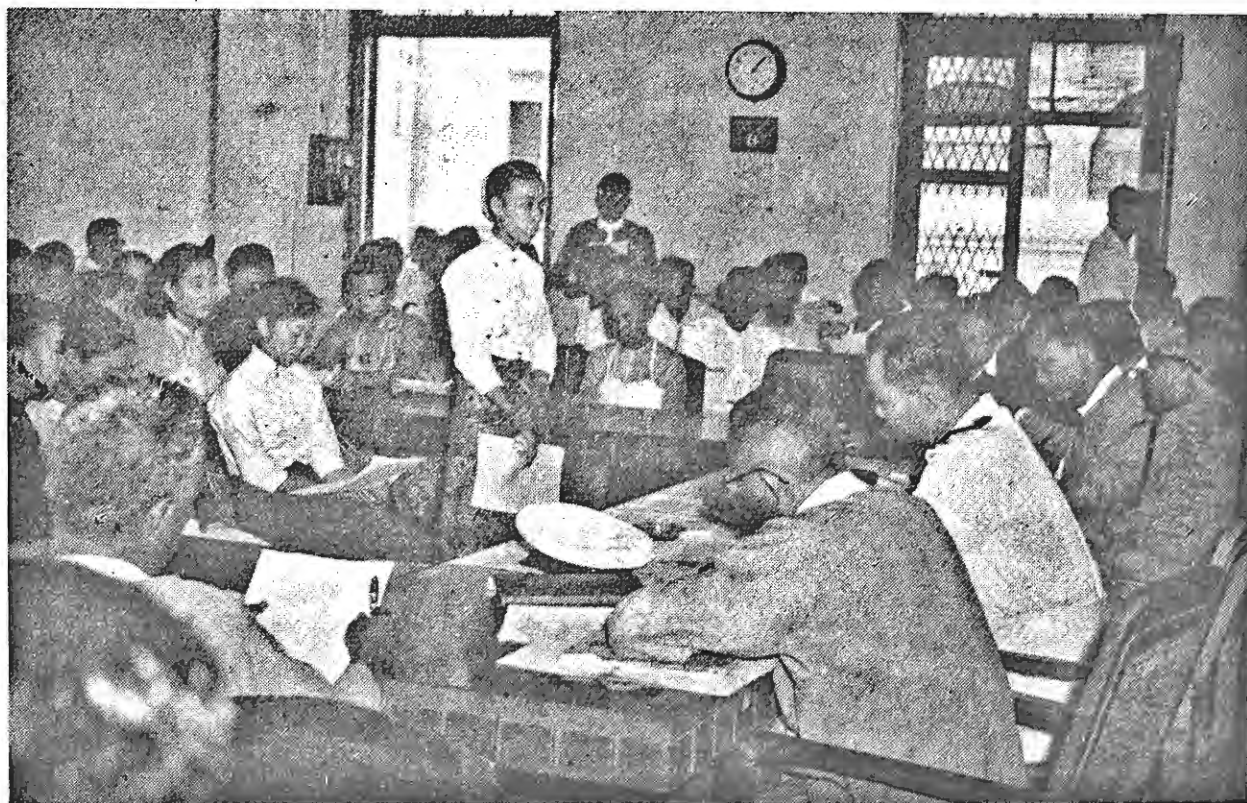
The officers concerned were able to maintain industrial peace by regular discussions with employers and workers in various factories and keeping a close watch on all developments.

There were 34 outstanding disputes at the time General Ne Win took over the reins of Government. There were 133 cases of fresh disputes during October 1958 to December 1959, thus making a total of 167. Of these, 160 disputes had been amicably settled through the efforts of the officers of this Directorate.

The relations between employers and workers on the whole was highly satisfactory during the period under report. By means of investigations, conciliation, and mediation, the Conciliation Officers were able to settle most of the trade disputes and thus prevent occurrence of strikes and lock-outs.

The officers concerned also make regular visits to various factories to find out whether there is any infringement of labour laws and whether the workers concerned are allowed to enjoy the benefits under the Social Security Scheme. If any discrepancy or defect is found, the department or Board concerned is informed accordingly for taking action necessary.

(1) *Minister's discussions with various workers.*—With a view to obtaining better understanding of the problems of workers in various factories, commercial undertakings, hotels and restaurants, Boards and Corporations, the Hon'ble Brigadier Sithu Tin Pe, Minister for Labour, held on every



To improve industrial relations, the Labour Minister holds frank discussions with labour representatives

Tuesday, beginning from 1st December 1959, discussion-talks with different groups of workers, each being grouped according to industry. The number of workers attending the discussion-talks on each occasion numbered about 150.

The following were discussed:

- (1) Terms and Conditions of Service.
- (2) Benefits and Privileges.
- (3) Welfare.
- (4) Employer-employee relations in regard to Union matters.
- (5) Social Security.
- (6) Rights of workers under the existing labour laws.
- (7) Matters in general.

The workers had thus got the opportunity to express openly their grievances and difficulties.

The Hon'ble Minister and officers of the Department concerned took great pains to explain to the workers in regard to the problems that were brought up for discussion. As for the problems which could not be solved on the spot, steps are being taken to get the help and co-operation of the employers concerned and to make laws whenever necessary.

(2) *Special Inspection Teams*.—With a view to check up the complaints of the workers during the discussion-talks, the Hon'ble Brigadier Sithu Tin Pe, Minister for Labour, formed ten special Inspection Teams, each consisting of representatives from the Army, BSI, Labour Directorate, CIF, Social Security Board and the Directorate of Industries. The teams had inspected 1,165 factories, beginning from 21st December 1959 to 21st January 1960.

The main task of each team is to enquire from the employers and workers on different aspects of labour and to make them understand the rights as well as obligations under the existing labour laws.

These teams, by sheer hard work were able to do much valuable work during the short space of time in collecting necessary

information and pointing out the irregularities to those employees who were not well conversant with the laws in force. It was however, found that some employers deliberately circumvented the laws, and committed unfair labour practices for which steps are being taken to take necessary measures against them.

(3) *Conference of Officers under the Ministry of Labour*.—An Officers' Conference was held from 18th to 23rd January 1960, in the main room of the Court of Industrial Arbitration, Rangoon. The main object of the Conference was to give the officers of the Labour Directorate, the CIF and Social Security Board an opportunity to discuss the various problems and difficulties which were encountered in the execution of their duties and make suggestions for their solution.

The officers concerned took part in the discussions whole-heartedly with the result that it not only paved the way towards creating better understanding and closer co-operation between different departments but also many interesting facts were brought forward.

Although the labour laws were originally drawn up in order to protect the workers and to prevent any unfair practices either by the employers' side or the workers' side, yet there are certain defects which the officers concerned notice in the course of performance of their duties, and these defects can be better remedied only when the officers concerned get an opportunity to discuss among themselves and exchange ideas.

The subject of labour is closely related to politics, economy and social service, but it was not given any proper attention before Independence. Even after Independence, it was never handled on any clear-cut and well-defined principle. It has not therefore been possible for Bogyoke's Government to put everything in proper shape but to tackle the current problems in the best possible way.

In order to make new legislation in keeping with the times, to make amendments in the existing laws as and where necessary, to impart requisite training to officers concerned, to educate employers and workers to make them fully understand their responsibilities, it is suggested that the Labour Directorate be further expanded.

II. The Inspectorate of Factories and General Labour Laws

(A) FUNCTIONS OF THE INSPECTORATE

To ensure that the workmen get their fair and equitable rights in the form of safety, health and welfare in the work-places, the Inspectorate of Factories and General Labour Laws is entrusted with the enforcement of the following laws:

- (1) The Factories Act, 1951,
- (2) The Shops and Establishments Act, 1951,
- (3) The Shops and Establishments Rules, 1953,
- (4) Payment of Wages Act, 1936,
- (5) Leave and Holidays Act, 1951,
- (6) Oilfields (Labour and Welfare) Act, 1951,
- (7) Minimum Wages Act, 1949 and Minimum Wages Orders for cigar and cheroot industry and rice milling industry made under it.

Out of the Minimum Wages Orders, the three orders for Prome, Tharrawaddy, Henzada, Myaungmya, Pyapon and Mawbin Districts were promulgated by the Government of General Ne Win.

(B) STRENGTH OF OFFICERS

The Inspectorate is run by the Chief Inspector of Factories and General Labour Laws with the help of the two Deputy Chief Inspectors. There are, at present, 31 Inspectors, all gazetted officers.

The Inspectors of Factories are concerned with the inspection of factories and the

function of the Inspectors of General Labour Laws is inspection of establishments other than factories, while at the same time they have to inspect certain factories in their capacity as Additional Inspectors of Factories.

During this Government's tenure of office, two Inspectors of Factories were recruited and arrangements are under way for the recruiting of another three Inspectors of Factories and one Inspector of Factories (Medical). Two Inspectors were trained in Australia under the Colombo Plan.

(C) INSPECTIONS

In the course of their duties to enforce the above Acts and Orders, the Inspectors visit the factories, shops, commercial establishments, establishments for public entertainment and sea-going vessels at any time and on any day.

Now that there has been marked improvement in the travelling facilities afforded to the public due to the improvement of law and order in the country, more visits can be made of the factories in the districts by the Inspectors.

Thus, for the period November 1958 to December 1959, 32,066 inspection visits were made, showing an increase over the corresponding period in the preceding year. In conformity with the policy of the Government to implement the rule of law, the Inspectorate took strict action and more prosecutions were made during the year with the result that the employers comply with the requirement of the law more than ever before.

(D) SAFETY AND HEALTH

Safety and the health of workmen in the work-places can be secured only if the problem is tackled from the mechanical, chemical, and medical points of view. But

due to lack of engineers and doctors who are willing to serve in the Inspectorate, the Inspectorate was short of Inspectors. However, this year may see the recruitment of sufficient Inspectors.

(E) OVERTIME

Factory workers cannot lawfully be employed outside their ordinary time.

However, overtime may be sanctioned under certain conditions on application to meet the occasional heavy pressure of work. During the period covered by this article, 105 factories were allowed to work overtime.

(F) WAGES

Unpaid wages recovered at the instance of the Inspectors during the period November 1958 to December 1959 total

K 335,360·84. This sum can be broken up into:

- (a) K 89,876·73 being Public Holiday wages,
- (b) K 108,866·91 being arrears of wages,
- (c) K 64,972·64 being wages in lieu of earned leave,
- (d) K 67,129·69 being additional payments made to be in line with the rate of wages as fixed under the Minimum Wages Orders,
- (e) K 691·12 being overtime wages, and
- (f) K 3,553·75 being other payments (*vide* Trade Agreements).

(G) COMPARATIVE STATEMENT

To show the progress made during the period November 1958 to December 1959 over the previous year, a statement is shown comparing the workings in the above period with that of the corresponding year.

	September 1957 to October 1958	November 1958 to December 1959	Difference
1. Inspections and actions taken—			
(a) Number of factories allowed overtime.	41	105	+ 64
(b) Number of establishments inspected.	28,178	32,066	+ 3,888
(c) Number of establishments warned.	5,984	5,031	- 953
(d) Number of establishments prosecuted.	385	415	+ 30
2. Wages recovered at the instance of this Inspectorate—	K	K	K
(a) Public Holiday wages ...	51,431·90	89,876·73	+ 38,444·83
(b) Arrears of wages ...	29,210·27	1,08,866·91	+ 79,656·64
(c) Earned Leave wages ...	26,861·61	64,972·64	+ 38,111·03
(d) Wages due to difference in rates of wages.	24,873·12	67,129·69	+ 42,256·57
(e) Overtime wages ...	...	961·12	+ 961·12
(f) Other payments (<i>vide</i> Trade Agreements).	...	3,553·75	+ 3,553·75
Total ...	1,32,376·90	3,35,360·84	+ 2,02,983·94

III. Dock Labour Board

The following facts reveal the marked success and maintenance of good discipline in the administration of Dock Labour with effect from November 1, 1959 to December 31, 1959 during the regime of the Bogyoke Government.

The shipping agents at the Board meetings admitted that labourers while at work showed a definite change in their attitude and spirit from their previous state of indiscipline to the present disciplined behaviour, and that only an inconsiderable amount of damage is to be found. This may also be attributed to the presence and regular checking of the operation of labour at docks by the officers.

The Bogyoke Government has greatly reformed the moral character of the workers for the number of pilferages have decreased and cases of gambling on board the ships have almost disappeared.

During the time of the previous Government, attempt for the provision of cheap motor transport for the workers, from their homes to the central posting centre, have failed; but with effect from May 20, 1959, the Bogyoke Government has successfully organized motor transport for the workers from their new homes in North and South Okkalapa and Thaketa to the above-said centre, enabling the workers to be punctual and on a very small fare.

On July 19, 1959, the Bogyoke Government introduced a new policy for workers to receive holiday wages for 14 days (*i.e.*, for public holidays for the year) if and when they have no posting for the day. This privilege was not enjoyed during the time of the past Government.

Regarding medical benefit of the workers, it was limited by the Social Security Board to 13 weeks and after the expiry of this period, the Dock Labour Board paid

guaranteed wages for 14 days for two months and no further allowances were provided.

The Bogyoke Government has improved the conditions for the permanent workers by the granting of wages for 14 days for two months in a year, according to their services after the expiry of 13 weeks, and medical leave for two months on the recommendation of the medical officer concerned.

With a view to promote enthusiasm of labourers in their work prizes were individually awarded by the Chairman of the Board to five gangs in mid-stream and five gangs at the wharf which could turn out the most tonnage in the year 1959.

Aware of this award of prizes, workers made whole-hearted efforts to turn out good tonnage with the result that they exceeded the previous records. The execution of labour at the docks was very successful as the result of the compulsory attendance and personal supervision of *Gaungs*, who in the past rarely ever supervised the work personally.

Besides the various achievements mentioned above, a Sub-Committee appointed by the Board is at work on plans for the housing of dock labourers on a plot of land at Laydaunggan near Thingangyun. This problem of housing for dock workers had been presented to the Board many times previously, but nothing definite had been realized before the Bogyoke Government.

Meetings were held for open discussions with leaders of the workers, and lectures were given to explain and to remove all misunderstandings. Gang leaders were asked to openly state their grievances. Lectures at these meetings urged all workers to be more conscientious regarding their work, so as to ensure the smooth running of the labour section of the administration of the Government.

IV. Union of Burma Stevedoring Board

The man who is authorized to supervise the work of loading and unloading of various types of cargo on seagoing vessels is commonly known as "Master Stevedore." The workers directly under his employ are called "Stevedores".

The Union Government constituted the Union of Burma Stevedoring Board in May 1955, by order of the President of the Union in exercise of powers conferred by Sub-clause (i) of clause 5 of Section 3 of Essential Supplies and Services Act, 1947, in view of the successful implementation of Dock Labour Board in 1951. By then there were eight private stevedoring firms, mostly owned or managed by foreigners.

After running the stevedoring operations smoothly and efficiently for about two and half years the Union Government took over the entire business of stevedoring in the Port of Rangoon with effect from October 1, 1957. The Government has also approved of a policy to extend the activities of this Board to other seaports, *viz.*, Bassein, Moulmein and Akyab.

The activities of the Board are (a) loading of all kinds of cargo exported from Burma onto the ships, and (b) unloading of various types of goods brought in by vessels calling at the Port of Rangoon, except coal.

The Board has the aims and objects of promoting the standard of living and social conditions of employees and dock workers employed by this Board, maintaining the standard of efficiency in stevedoring operations at an international level with a view to speeding up the quick turnaround of vessels calling at the Port of Rangoon, and lastly, reducing the stevedoring rates with the intention of bringing down the freight charges, thereby leading to reduction in cost of consumer goods imported from foreign countries.

Soon after the installation of Bogyoke Ne Win's Government, the Board introduced the uniform standard of "Itemized Stevedoring Rates", much more lower and reasonable than the stevedoring charges claimed by the private stevedoring firms, with effect from January 1, 1959.

When an Army Officer took charge of the duties, action was taken to educate the stevedoring staff to possess the proper sense of responsibility so as to become conscientious workers with thorough care in the systematic handling of cargo during the course of stevedoring operations. The result of this is that the loss of goods due to accidents has now been reduced to zero.

There was completely no shortage of workers in the labour gangs as practised before and the workers are receiving the actual labour wages themselves. The leaders of the working gangs are given a sense of responsibility to look after the operation of stevedoring with thorough care.

Hence, the leaders themselves are also engaged in the work throughout.

The modern port equipment at the quay, such as fork lifts and electric cranes and the co-operation rendered by the port workers has served to increase the discharging rate, ex-wharves, from 20 to 60 tons per hook per shift of 8 hours. The rate of loading increases from 100 to 200 tons per hook per shift of 8 working hours normally. The present record of rice loading stands at 534 tons per hook per shift.

To obtain the maximum efficiency of dock workers the bonus system has been introduced, thereby gaining the utmost working capacity of the dock workers. Accordingly, the Union Government was able to export the desired tonnage of 1.7 million tons of rice during the financial year 1958-59, in scheduled time.



Imported transport buses being unloaded from ships under the supervision of the Stevedoring Board

Due to the systematic and speedy loading of rice cargo on all ships calling at the Port of Rangoon by the dock workers, with strict instructions and supervision of the officers and out-door employees of this Board, the despatch money was benefited by the Government, instead of having to pay demurrage as in the previous years. Part of the despatch money was shared among the dock workers, and a welfare centre in the form of a canteen has been established.

With proper discipline and a systematic way of cargo handling achieved by the dock workers because of the directions and inspections made by the officers and staff of this Board, the pilferage cases during the course of stevedoring operations are gradually dying down and are now reduced almost to zero.

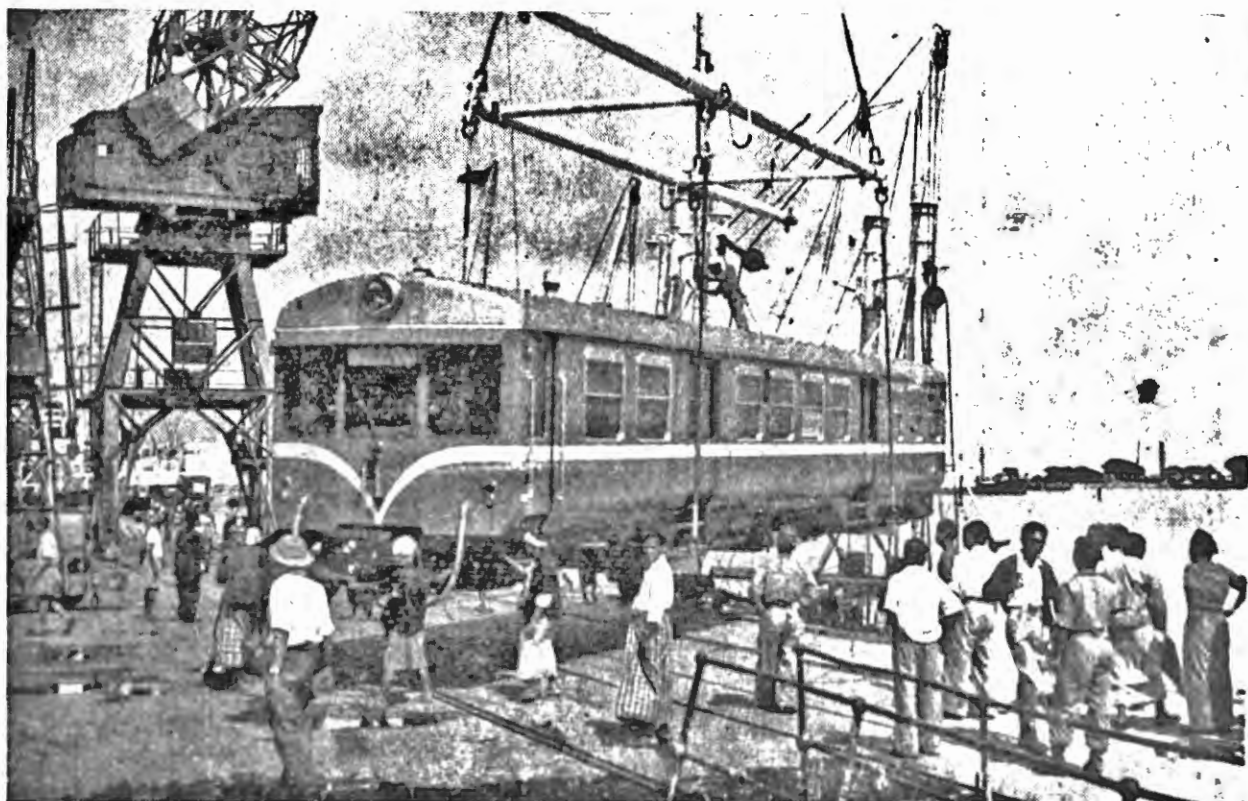
The officers of the Board are entrusted to supervise and inspect the stevedoring operations at nights, also in rotation system,

so as to have the smooth and efficient running of the business.

To uplift the adequacy of the Board the out-door personnel of this Board, working on board the vessels, are now provided with appropriate uniforms.

It is a fact that this Board is at present functioning with the maximum efficiency and utmost capacity to the entire satisfaction of all the Shipping Agents in particular and the public in general.

The activities of this Board being satisfactory to all concerned, the Union Government has approved the policy to take over the business of stevedoring in the ports of Bassein, Moulmein and Akyab. The Government has since succeeded in establishing a branch Stevedoring Board in Bassein Port with effect from October 1, 1959, and has decided to open a branch Board in Moulmein from February 1, 1960.



Railway passenger coaches from abroad being unloaded from ships under supervision of Stevedoring Board

*Comparative Statement of Import Tonnage, 1957-58 and
1958-59*

Month (1)	General Cargo		Heavy Lifts	
	From 1-11-57 to 31-12-58 (2)	From 1-11-58 to 31-12-59 (3)	From 1-11-57 to 31-12-58 (4)	From 1-11-58 to 31-12-59 (5)
November ...	80,022	55,907	4,712	4,459
December ...	74,143	61,475	3,662	2,546
January ...	70,886	57,508	7,560	896
February ...	57,294	50,162	1,867	1,242
March ...	52,101	50,043	1,354	885
April ...	52,469	66,777	1,316	234
May ...	33,219	49,693	919	505
June ...	31,556	51,711	193	144
July ...	29,258	49,583	1,411	719
August ...	45,818	80,201	302	549
September ...	34,394	62,868	997	830
October ...	50,311	58,820	1,712	1,249
November ...	55,907	62,168	4,459	1,090
December ...	61,475	73,733	2,546	211
Total ...	728,853	830,749	33,010	15,559

	<i>From 1-11-57 to 31-12-58</i>	<i>From 1-11-58 to 31-12-59</i>
General Cargo ...	728,853 tons.	830,749 tons.
Heavy Lifts ...	33,010 „	15,559 „

Comparative Statement of Export Tonnage, 1957-58 and 1958-59

Month (1)	Rice		Timber		General Cargo		Pulses		Oil Cakes		Remarks (12)
	From 1-11-57 to 31-12-58 (2)	From 1-11-58 to 31-12-59 (3)	From 1-11-57 to 31-12-58 (4)	From 1-11-58 to 31-12-59 (5)	From 1-11-57 to 31-12-58 (6)	From 1-11-58 to 31-12-59 (7)	From 1-11-57 to 31-12-58 (8)	From 1-11-58 to 31-12-59 (9)	From 1-11-57 to 31-12-58 (10)	From 1-11-58 to 31-12-59 (11)	
November ...	67,464	64,708	5,172	8,493	15,347	10,174	3,003	6,838	5,633	10,755	
December ...	54,367	50,586	8,789	6,283	10,411	11,672	6,186	11,580	4,640	12,442	
January ...	59,907	33,770	6,833	5,158	10,864	4,533	9,931	4,905	11,477	5,843	
February ...	50,826	56,268	4,645	6,529	6,812	8,178	9,349	8,810	7,605	14,149	
March ...	103,685	110,880	5,798	7,415	13,468	9,434	3,657	10,753	8,383	7,034	
April ...	122,549	124,991	3,646	6,886	12,495	8,933	9,360	10,906	8,106	5,537	
May ...	96,557	80,692	4,641	6,093	8,823	10,792	7,840	17,994	5,902	6,576	
June ..	94,556	76,525	3,884	5,029	12,559	10,168	7,312	10,693	1,786	7,413	
July ...	102,376	134,715	4,163	5,364	9,175	8,782	4,455	7,880	6,611	9,887	
August ...	88,197	158,601	4,714	4,462	9,902	7,499	9,717	10,938	9,364	6,437	
September ...	54,409	129,229	3,683	10,399	4,637	8,731	8,516	10,287	12,365	23,287	
October ...	86,104	189,795	4,782	7,032	8,815	8,158	11,320	6,813	10,155	13,390	46,200
November ...	64,708	65,397	8,493	7,085	10,174	8,791	6,838	8,580	10,755	12,012	22,086
December ...	50,586	95,213	6,283	7,297	11,672	10,284	11,580	5,929	12,442	18,719	2,123
Total ...	1,096,291	1,371,370	75,526	93,525	145,154	126,129	109,064	132,906	115,224	153,481	

From 1-11-57 to 31-12-58. From 1-11-58 to 31-12-59.

Rice ...	...	1,096,291	1,371,370
Timber ...	...	75,526	93,525
General Cargo ...	...	145,154	126,129
Pulses ...	...	109,064	132,906
Oil Cakes ...	...	115,224	153,481

46,200 Tons of
Rice loaded
at Bassein
not includ-
ed.



Offices of the Social Security Board

V. The Social Security Board

(A) INTRODUCTION

Before the enactment of the Social Security Act the workers in Burma and their families had relatively little protection against physical and occupational contingencies which brought about loss of their earning and an increase in expenses and which at the same time affected their health. The then existing labour laws dealing with such risks, as well as certain extra-legislative arrangements serving somewhat the same purpose were unsatisfactory both in their scope and in the amount of benefits provided. They were based mostly on the individual employer liability principle which was in itself a factor seriously limiting the effectiveness of the protection granted under such forms. Their replacement by a system of collective responsibility under a Social Security Scheme, by means of which risks would be pooled among all

employers, with financial participation by the State and insured persons, was considered an urgent necessity.

Furthermore, the responsibility of the Union of Burma for promoting the development of social security is clearly laid down in its Constitution. Section 31 states that "The State shall protect workers . . . as soon as circumstances permit by promoting schemes for housing and social insurance." Section 33 states that "The State shall direct its policy towards securing to each citizen . . . the right to maintenance in old age and during sickness or loss of capacity to work." Section 37 states that "The State shall specially direct its policy towards . . . securing to mothers in employment the right to leave with pay before and after childbirth." These sections appear both to provide guidance to legislative policy in the social security field and to furnish a solid constitutional basis for legislature.



Injured workman receives Social Security aid for artificial limb facilities

Thus to fulfil an urgent necessity as well as to lay the foundation towards implementing the policy clearly stated in the Constitution the Social Security Act was enacted in 1954 and enforced on 1st January 1956.

(B) PROVISIONS OF THE SOCIAL SECURITY ACT

(1) The following benefits are provided under the Act:—

- (a) Medical Care.
- (b) Cash Benefits—
 - (i) Sickness Benefits.
 - (ii) Maternity Benefits.
 - (iii) Funeral Grants.
 - (iv) Temporary Disability Benefits.
 - (v) Permanent Disability Benefits and Pensions.
 - (vi) Survivors Pensions.

(2) *Coverage under the Act.*—The Scheme covers employed persons in—

- (a) industrial establishments employing at least ten persons;
- (b) railways;

- (c) public industries and transport establishments;
- (d) ports;
- (e) mines;
- (f) oilfields;
- (g) stevedoring establishments; and
- (h) Social Security Board.

The area covered by the scheme is Rangoon Town and some of the suburbs. As from 1st January 1958 the Scheme was extended to Mandalay and Myitnge.

(C) PROGRESS

A firm policy with respect to the enforcement of the Social Security Act was maintained during the inception of the Scheme, but, regrettably, later on, there was a general laxity on the part of the Government on policy matter, especially in cases of non-compliance in payment of contributions by certain group of employers.

During the previous financial year prosecution against cheroot manufacturers who had refused to pay contributions were withdrawn on the advice of the Prime Minister. It was then stated that discussions for amicable settlement were being carried out at ministerial level. No settlement was reached on this question of enforcement of the Social Security Act on delinquent cheroot manufacturers although the matter was often brought up both at ministerial level and at the AFPFL's Executive Committee meetings.

The inability to enforce the law, while considerations were given by the Government to the application of the cheroot manufacturers for exemption from the Act and also the deferment to take immediate legal action against delinquent employers on grounds of economic retrogressions, was made good use of by some establishments who began to keep off payment of contributions.

This problem was largely eliminated when firmer policy with regard to enforcement of the Act was established. Good progress made by the Board is made clear by increase in number of establishments registered, as well as in number of persons awarded benefit or given medical care.

(D) THE PRESENT STATUS OF THE SCHEME

To provide better medical care services to insured workers the following dispensaries were opened during the year:—

- (1) Mobile dispensary to serve workers in Mingaladon and Kaba-aye area at Rangoon.
- (2) Mobile dispensary to serve workers in North Payagyi, North Pinedan and Nandwin Quarter at Mandalay.
- (3) South Okkalapa in Zawana Quarter.
- (4) Okkyin in the Jute Mill compound, and
- (5) Kamayut.

In addition to the above, the Social Security Board plans the immediate construction and opening of dispensaries in the following areas:—

- (1) North Okkalapa.
- (2) South Okkalapa.
- (3) Thamaing.
- (4) Tamwe.
- (5) Botataung.
- (6) Thaketa.

Hitherto, the Board has to rely on public hospitals to treat hospitalization cases. However, since 3rd January 1960, the Board has begun to maintain a 30-bedded hospital for the use of insured persons who require hospitalization.

(E) CONCLUSION

While the operation of the Social Security Scheme has been quite successful since its inception, the scheme is limited in its application territorially and to classes of employment as well as in the range of benefits. It is realized that before the Union of Burma can claim to have a national Social Security Scheme extension in coverage and benefits will have to be made.

Such an extension would need short and long-term planning with adequate provision for finances as well as proper follow-up on legislative enactment and enforcement. All these in turn require a firm policy with respect to realization of a national scheme.

As part of the long-range planning the Social Security Board foresees the implementation of a national coverage, old age pensions, invalidity pensions and unemployment benefits. But before achieving such coverage and benefits, gradual expansion with regard to the present coverage as well as in improvement of benefits and provisions must clearly be undertaken.

CHART A

Registration of Employers and Employees

	1st November 1957 to 31st December 1958		1st November 1957 to 31st December 1959	
	Rangoon	Mandalay	Rangoon	Mandalay
(i) Registered Establishments ...	1,245	142	1,374	192
(ii) Registered Employees ...	119,875	8,036	148,410	13,767

CHART B

Medical Care

Attendance	1st November 1957 to 31st December 1958		1st November 1958 to 31st December 1959	
	Rangoon	Mandalay	Rangoon	Mandalay
Social Security Board Establishment Dispensaries.	521,855	56,841	620,795	78,624
Domiciliary Visits	10,348	405	13,387	256
Hospital Admissions	1,860	541	1,647	389
Diagnostic Centre	2,965	553	5,156	1,238
Medical Board	137	Nil	210	Nil

CHART C

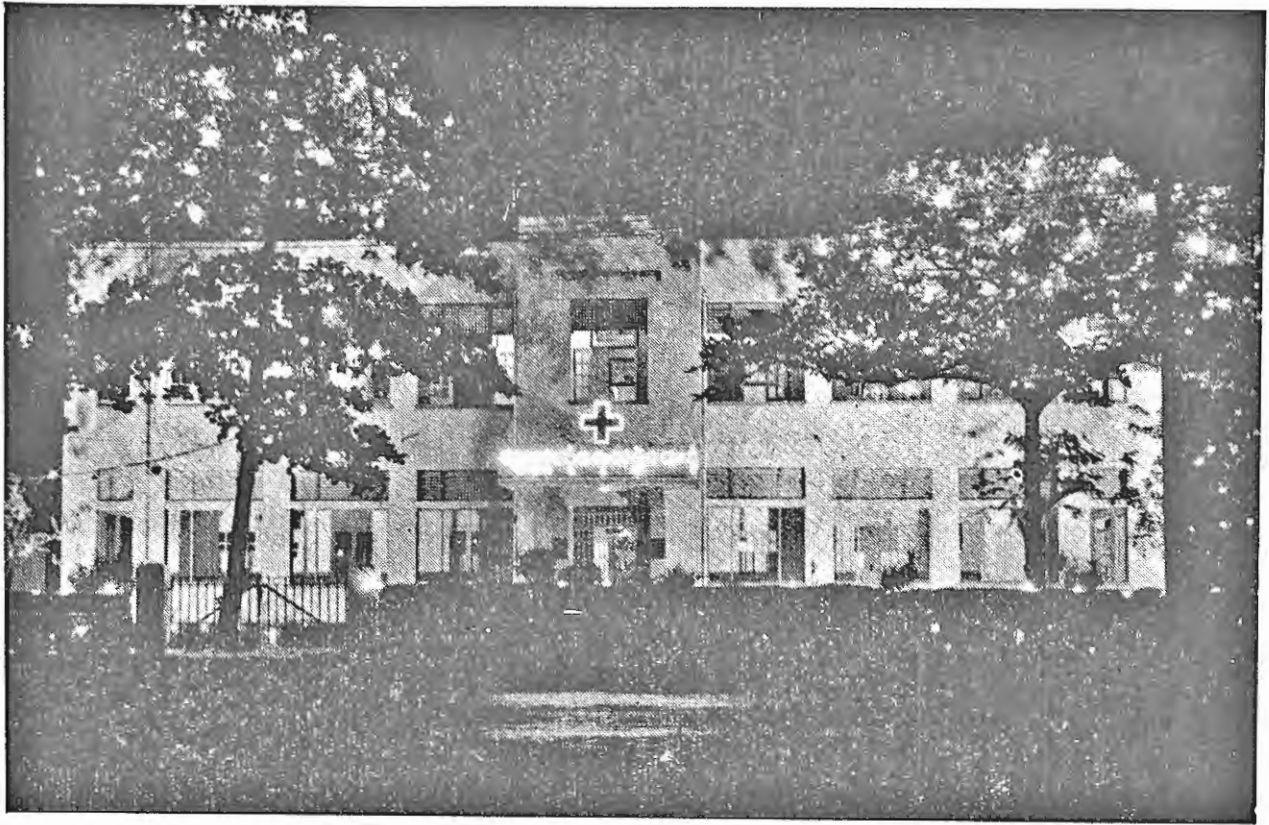
Contributions

Year and Month	Rangoon	Mandalay	Year and Month	Rangoon	Mandalay
	K	K		K	K
November 1957 ...	3,07,399.92	...	November 1958 ...	3,10,402.86	28,446.27
December 1957 ...	2,63,454.96	...	December 1958 ...	3,60,824.83	37,262.06
January 1958 ...	2,71,762.85	...	January 1959 ...	3,51,720.86	37,563.62
February 1958 ...	2,29,095.99	28,445.03	February 1959 ...	3,12,538.92	33,541.36
March 1958 ...	4,26,526.20	28,073.24	March 1959 ...	3,50,799.64	44,829.56
April 1958 ...	5,42,050.85	29,043.82	April 1959 ...	2,74,833.11	31,079.99
May 1958 ...	3,40,011.20	27,556.16	May 1959 ...	4,05,025.06	32,484.18
June 1958 ...	2,94,415.27	28,733.59	June 1959 ...	3,89,980.62	41,003.13
July 1958 ...	3,76,216.49	29,060.57	July 1959 ...	3,79,527.46	37,119.14
August 1958 ...	2,91,545.79	27,628.46	August 1959 ...	3,62,277.09	38,203.40
September 1958 ...	4,00,345.90	30,201.15	September 1959 ...	5,12,181.56	41,057.07
October 1958 ...	3,15,899.96	32,894.39	October 1959 ...	2,30,144.97	42,203.36
November 1958 ...	3,10,402.86	28,446.27	November 1959 ...	3,41,971.80	37,166.12
December 1958 ...	3,60,824.83	37,262.06	December 1959 ...	3,90,931.65	44,583.49
Total ...	47,29,953.13	3,27,344.74	Total ...	50,73,160.43	5,26,542.85

CHART D

Statement showing the Cash Benefits awarded to assured workers during 1st November 1957 to 31st December 1958 and 1st November 1958 to 31st December 1959

No.	Type of Benefits	1st November 1957 to 31st December 1958				1st November 1958 to 31st December 1959			
		Rangoon		Mandalay		Rangoon		Mandalay	
		Number of Cases	Amount	Number of Cases	Amount	Number of Cases	Amount	Number of Cases	Amount
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Sickness Benefits ...	17,691	K 3,70,932'90	1,345	K 19,436'25	22,150	K 4,60,739'45	3,600	K 52,573'75
2	Maternity Benefits ...	864	1,08,076'60	139	6,563'45	1,015	1,44,454'55	1,533	42,925'35
3	Funeral Grants ...	495	98,847'65	33	6,578'00	476	95,104'70	45	9,000'00
4	Temporary Disability Benefits.	655	1,04,647'07	421	8,772'20	4,626	1,24,475'42	513	11,766'10
5	Permanent Disability Benefits.	174	77,345'49	20	3,191'00	257	94,946'94	67	7,055'50
6	Survivors Pensions ...	41	26,727'57	7	2,400'00	58	38,874'95	8	6,061'80
	Total ...	22,920	7,86,577'28	1,965	46,940'90	28,582	9,58,596'01	5,766	1,29,382'50



The ultra-modern clinic of the Social Security Board at Ahlone

VI. Union Insurance Board

Road and transport communications have been one of the main factors for achieving the large volume of business in the Union Insurance Board's life, fire, marine, aviation, accident, fidelity guarantee and miscellaneous insurances by enabling the Board's officials, clerks and commissioned agents to travel freely and easily in the districts of Burma.

Under the present Bogyoke Government the main arteries of communication have been successfully made easy, so much so that the Board's employees and

commissioned agents could travel all over the districts far and wide.

The result is that the Board's slogan of "One Hut, One Policy" became effective regarding life assurance business completed as per list attached, which testifies to the Board's continued success and progress.

The General Insurances of the Union Insurance Board including fire, marine (hull and cargo), aviation (travel coupon and loss of license), motor, fidelity guarantee and miscellaneous insurances, line and stock insurance, accident, etc., have been achieved as described in the list attached,

List of Completed Life Insurance Business during previous Governments

Month	Service		Army		Public	
	No. of Assured	Amount of Business	No. of Assured	Amount of Business	No. of Assured	Amount of Business
		K		K		K
September 1957 ...	29	84,500.00	...	...	193	10,31,500.00
October 1957 ...	241	7,05,750.00	17	1,23,000.00	140	8,07,500.00
November 1957 ...	788	15,24,500.00	17	83,500.00	222	11,51,500.00
December 1957 ...	731	12,87,750.00	37	86,500.00	208	8,12,000.00
January 1958 ...	250	6,41,250.00	95	1,81,000.00	229	7,98,500.00
February 1958 ...	200	5,36,500.00	37	66,000.00	174	7,07,500.00
March 1958 ...	174	6,15,000.00	164	3,54,000.00	204	9,23,500.00
April 1958 ...	163	3,62,000.00	27	1,54,500.00	258	10,85,500.00
May 1958 ...	245	6,06,500.00	23	1,14,000.00	114	6,15,500.00
June 1958 ...	238	5,06,750.00	31	1,47,000.00	117	5,63,500.00
July 1958 ...	419	9,71,750.00	33	1,49,500.00	220	6,52,500.00
August 1958 ...	627	15,57,000.00	19	91,000.00	127	5,81,000.00
September 1958 ...	1,029	26,29,500.00	27	1,49,000.00	187	8,73,000.00
October 1958 ...	252	7,18,250.00	19	74,000.00	94	5,39,500.00
Total ...	5,386	1,27,47,000.00	546	17,73,000.00	2,487	1,11,42,500.00

List of Completed Life Insurance Business during Bogyoke Government

Month	Service		Army		Public	
	No. of Assured	Amount of Completed Business	No. of Assured	Amount of Completed Business	No. of Assured	Amount of Completed Business
		K		K		K
November 1958 ...	466	10,19,500.00	2	15,000.00	76	4,93,500.00
December 1958 ...	427	9,64,750.00	15	99,000.00	87	5,48,500.00
January 1959 ...	267	5,85,500.00	6	45,000.00	148	7,65,000.00
February 1959 ...	564	17,44,750.00	12	94,000.00	275	13,67,000.00
March 1959 ...	1,086	29,35,200.00	4	27,000.00	140	7,95,750.00
April 1959 ...	589	14,76,250.00	4	45,000.00	158	9,06,500.00
May 1959 ...	607	15,39,750.00	7	31,000.00	150	10,04,000.00
June 1959 ...	342	9,96,000.00	23	9,90,000.00	168	11,47,500.00
July 1959 ...	654	18,34,500.00	48	2,67,000.00	178	9,73,500.00
August 1959 ...	662	19,00,500.00	19	1,23,000.00	220	10,42,600.00
September 1959 ...	2,051	56,26,650.00	19	1,21,000.00	311	15,52,000.00
October 1959 ...	1,374	36,50,000.00	66	3,51,000.00	839	33,28,000.00
November 1959 ...						
December 1959 ...						
Total ...	9,089	2,42,73,350.00	225	22,08,000.00	2,750	1,39,23,850.00

List of Completed General Insurance Business during previous Governments

Month		Fire	Marine (Cargo)	Marine (Hull)	Aviation (Hull)
		K	K	K	K
September 1957	...	1,11,503.64	50,015.47	...	6,845.00
October 1957	...	53,806.79	71,495.25	...	60,175.24
November 1957	...	2,32,111.63	48,749.00	...	5,055.12
December 1957	...	1,99,810.49	84,717.13	...	1,49,512.94
January 1958	...	1,78,392.50	58,160.68	...	819.59
February 1958	...	2,07,598.15	27,413.77	...	...
March 1958	...	1,46,023.00	38,646.10	...	1,27,980.21
April 1958	...	1,64,023.41	44,803.94	...	...
May 1958	...	1,47,136.64	1,66,799.71	...	2,375.46
June 1958	...	1,33,227.87	2,56,257.20	...	86.58
July 1958	...	45,071.30	1,49,741.80	...	...
August 1958	...	87,324.24	2,21,598.63	578.12	6,62,224.82
September 1958	...	1,37,205.99	2,80,267.62	44,288.12	...
October 1958	...	1,11,390.84	2,89,366.99	1,30,909.36	...
Total	...	19,54,626.49	17,80,033.29	1,75,775.60	10,15,074.96

List of Completed General Insurance Business during Bogyoke Government

Month		Fire	Marine (Cargo)	Marine (Hull)	Aviation (Hull)
		K	K	K	K
November 1958	...	1,90,956.40	1,04,723.71	2,543.75	...
December 1958	...	1,43,997.95	2,83,577.81	...	...
January 1959	...	3,68,200.59	1,10,588.08	8,225.00	165.00
February 1959	...	2,99,808.18	2,82,584.24	40,581.86	281.99
March 1959	...	2,93,222.91	3,01,517.84	1,832.62	...
April 1959	...	1,08,294.27	2,55,815.23	1,831.52	...
May 1959	...	2,42,059.30	2,72,228.73	8,41,876.60	20,504.00
June 1959	...	1,26,202.53	1,73,367.74	33,913.99	2,41,442.46
July 1959	...	1,42,174.32	3,42,281.00	4,797.97	1,21,425.77
August 1959	...	1,63,173.13	1,86,409.24	30,223.14	...
September 1959	...	1,47,263.72	3,74,108.03	91,969.59	10,56,355.52
October 1959	...	9,67,361.46	10,35,513.34	4,083.15	...
November 1959	...				
December 1959	...				
Total	...	31,92,714.76	37,21,714.99	10,61,879.19	14,49,174.74

List of Completed General Insurance Business during previous Governments

Month		Aviation (Travel)	Motorcar	Misc. (Accident)	Fid. (Guarantee)
		K	K	K	K
September 1957	...	5,377.35	28,873.68	2,025.00	602.92
October 1957	...	5,059.30	71,022.20	26,690.62	7,003.65
November 1957	...	3,176.19	24,329.28	34,928.70	4,709.60
December 1957	...	3,732.00	53,913.31	11,629.00	6,248.52
January 1958	...	5,657.52	29,016.07	7,673.93	3,801.51
February 1958	...	2,931.54	31,081.02	7,990.52	2,286.51
March 1958	...	3,537.52	37,494.99	1,22,492.10	4,467.95
April 1958	...	3,966.40	30,993.00	364.80	2,521.85
May 1958	...	3,619.13	27,947.21	28,214.61	1,089.76
June 1958	...	1,426.65	74,137.19	6,253.75	3,319.70
July 1958	...	1,920.05	17,804.64	6,288.60	5,172.05
August 1958	...	2,887.05	45,940.04	25,318.25	2,839.79
September 1958	...	3,813.20	68,503.25	6,100.00	4,773.80
October 1958	...	3,326.55	35,217.93	20,823.76	7,913.75
Total	...	50,430.45	5,70,273.81	3,06,801.64	56,750.56

List of Completed General Insurance Business during Bogyoke Government

Month		Aviation (Travel)	Motorcar	Misc. (Accident)	Fid. (Guarantee)
		K	K	K	K
November 1958	...	2,031.95	36,384.00	2,591.29	3,760.20
December 1958	...	639.50	34,076.05	32,451.91	1,473.64
January 1959	...	916.35	24,709.04	2,114.20	1,119.74
February 1959	...	455.20	22,166.29	27,933.17	4,005.80
March 1959	...	1,451.65	73,670.18	8,467.38	4,340.35
April 1959	...	1,054.94	27,013.05	1,25,680.46	892.50
May 1959	...	613.25	39,084.46	25,682.50	3,622.84
June 1959	...	1,236.30	44,041.57	9,237.58	2,280.88
July 1959	...	1,427.28	26,055.73	1,727.53	3,066.09
August 1959	...	2,245.00	61,869.67	1,833.75	2,213.31
September 1959	...	1,696.30	86,569.83	9,672.51	5,217.75
October 1959	...	3,777.25	1,02,747.10	74,354.47	18,721.73
November 1959	...				
December 1959	...				
Total	...	17,544.97	5,78,386.97	3,21,746.75	50,714.83

Ministry of Public Works National Housing and Rehabilitation



Brigadier Tin Pe, Minister

The Ministry of Public Works, National Housing and Rehabilitation has, under its jurisdiction, the following departments and boards:

1. *Department of Highways.*
2. *National Housing and Town and Country Development Board.*
3. *Rehabilitation Board.*
4. *Government Tile and Brick Factory Board.*
5. *Special Gifts Projects Agreement Implementing Board.*

I. Department of Highways

The communications of the Union of Burma are composed of and includes the following four different categories:—

- (a) Road communications.
- (b) Waterways.
- (c) Railways.
- (d) Airways.

Of these four categories, road communications are of vital importance. The Government of Bogyoke gave immediate priority to the improvements of road communications as soon as it took over the reins of Government. The improvements effected to road communications in this way was a step towards the general welfare of the people of the Union as a whole.

With the improvements to road communications, it became possible for the people of the Union to travel about with greater comfort. When it is possible to move about freely from place to place, the people benefit economically; this leads to speedier movement of consumer goods and more trade; movement of goods at less cost and similar other benefits; a contribution is made towards the lowering of the prices of commodities.

In a way, it is only if road communications improve, that the economy of the country will likewise improve.

Again, from an educational, social and political view-point, the importance of improved road communications is further magnified, as for example, *geographically,

within the Union of Burma, a variety of races and creeds exist who live separated from each other. These different races more or less, up to the present live apart from and have little connection with the Burmese who comprise the bulk of the population of the Union of Burma.

It is only if these races within the Union are capable of meeting and intermingling more frequently and come to understand one another more intimately that a better understanding between the races will result.

Thus, if closer relationship and understanding takes place, the Union of Burma will benefit in that the whole of the country will be closely knit together and unity within the country will be based on a firmer foundation and be more lasting.

In considering the vital question of effecting improvements to road communications, the matter of connecting one town or district in Burma Proper with another only should not receive attention but the more important aspect of improving communications with all regions of the Union should be striven for.

More especially, it is still necessary to effect improvement of communications between Burma Proper and the Arakan Division, the Chin Special Division, the Kayah State and such.

The continued progress of the Union of Burma is dependent on the development of the remote and backward areas. If the economy, social aspects and education in Burma Proper were to go on improving, but the remote and backward areas were left to remain stagnant in these matters, the progress of the Union as a whole will be retarded. The Bogyoke Government realized that improvements to road communications was of vital importance for—

- (1) The economy of the country.
- (2) social security.
- (3) internal security.
- (4) political purposes.

(5) welfare.

(6) good relations between Burma Proper and the Autonomous States.

(7) internal and external defence measures.

It is only if road communications are good that transportation will be facilitated, cost of travel reduced, travel by day and night become possible, the export trade increased, etc., and this fact cannot be denied.

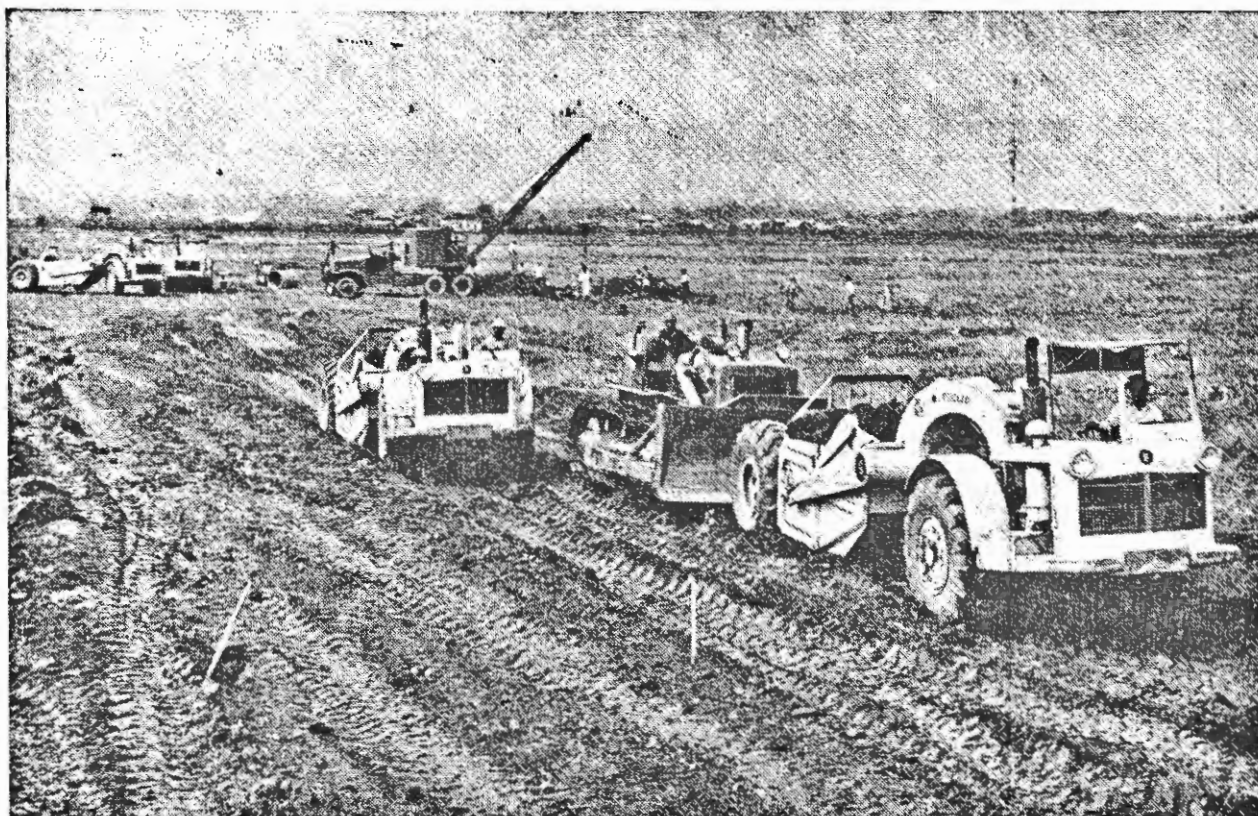
For the above reasons, the duties and functions of the Department of Highways which is responsible for the upkeep and maintenance of the highways within the Union, construction of new highways, rehabilitation and improvements to existing highways, etc., were closely scrutinized by the Bogyoke Government.

(A) SURVEY OF ROADS

In the pre-war period the total mileage of the roads within the Union of Burma was about 5,000 miles only. This total was composed of tarred roads, metalled roads, gravelled roads, and earth roads.

After the war, new roads were constructed and some of those existing widened, and the total mileage was increased to about 6,400 miles. The Department of Highways was responsible for the upkeep and maintenance of these roads. Besides the highways, the Department of Highways had to look after some of the District Council and Municipal roads—roads which are of vital importance in the daily life of the masses.

While rehabilitating the road network which had been severely damaged during World War II, to bring them back to the pre-war standard, the Department of Highways also had to concentrate on the modernizing of highways by framing the 2-Year, 3-Year, 10-Year, 5-Year, 4-Year, Short-term and Long-term Road Programmes and put these plans into operation after obtaining the approval of Government.



Roads being constructed in preparation for extension of the town of South Okkalapa

However, owing to financial stringency, the insurrection, the paucity of road materials, unprecedented high cost of labour, lack of security for the executive staff and similar obstacles which had to be faced, the Road Programmes could not be completed within the years stipulated and had to be modified to suit existing circumstances.

The Union Government also, on its part, in the Ministry of National Planning engaged the KTA Engineering Firm of Consultants in the year 1952-53 to make an economic study, report on and draw up a programme of improvements to the communications system.

Eventually it was possible to engage a Firm of Engineering Consultants from Canada to make a survey of the highways, under the Colombo Plan. Experienced and qualified engineers of the Department were also sent abroad for further study and on

observation tours at various intervals with a view to obtain first hand knowledge of modern and up-to-date road construction methods.

The Department of Highways was successful in widening the existing highways as provided in the last 4-Year Road Programme that was framed, and the condition of the highways improved vastly thereby.

A statement showing the road mileage maintained, the total estimated requirements, total expenditure, total mileage that was not capable of being maintained during the financial years 1948-49 to 1958-59 is shown on the next page.

(B) THE FOUR-YEAR PLAN

After close scrutiny and detailed study of the 4-Year Road Programme that was being implemented by the Department of Highways, the Bogycke's Government took

Statement Showing Maintenance of Highways, 1948-49 to 1958-59

Year (1)	Average maintenance cost per mile (2)	Assumed ratio to pre-war rate (3)	Total length to be maintained (4)	Total amount required to maintain (5)	Amount expended (6)	Approximate deficiency (7)	Length not maintained for lack of fund (8)	Diagram showing length of road maintained (9)	Remarks (10)
	K 800	Pre-war Rate	Miles 4,989	K 39,88,000	K ...	K ...	Miles ...		
1941-42	...	...	4,989	...	...	...	...		1. Figures for 1941-42 shown for comparison.
1947-48	...	...	4,989	...	...	...	...		2. Diagram: Taking total length of the road to be in good condition this year.
1948-49	1,600	2	4,989	79,76,000	58,69,262	21,06,738	1,317		3. Deterioration of road due to non-maintenance and insurgency not considered in the calculation and the diagram.
1949-50	2,000	2½	4,989	99,70,000	61,64,548	38,05,452	1,902		
1950-51	2,400	3	4,989	1,19,64,000	71,66,580	47,97,420	1,999		
1951-52	2,400	3	4,989	1,19,64,000	87,17,513	32,46,487	1,353		
1952-53	2,800	3½	4,989	1,39,58,000	1,11,13,631	28,44,369	1,016		
1953-54	2,800	3½	5,883	1,64,92,400	1,38,04,230	26,88,170	960		
1954-55	3,200	4	5,883	1,88,25,600	1,16,62,732	71,62,868	2,238		
1955-56	3,200	4	5,883	1,88,25,600	77,24,079	1,11,01,521	3,469		
1956-57	3,200	4	6,349	2,03,16,800	91,15,411	1,12,01,389	3,500		
1957-58	3,200	4	6,349	2,03,16,800	1,80,78,210	22,38,591	700		
1958-59	3,200	4	6,349	2,03,16,800	1,65,09,270	38,07,530	1,190		Expenditure for 1958-59 is deemed to be nearest figure.

timely action towards smoothening out the difficulties being experienced in the execution of works; inserting new projects that required to be included in the programme; arranging for joint execution of roadworks by the Department of Highways and Security Councils; and allocation of certain works for execution by the Army.

A total of 62 roads, divided into two categories, *vis.*, new construction and widening and improvements were included in the 4-Year Road Programme.

Out of these 62 roads, after due consideration as to whether or not it was necessary to execute the works immediately in respect of each, and after exclusion of those roads which the authorities concerned considered as still in serviceable condition and for which there was no immediate need for improvement, the remaining roads under construction were further scrutinized and

according as their relative importance in respect of traffic volume and length merited, the alignments were changed, *e.g.*, "Kyaukme-Mogok-Momeik-Si U-Bhamo" Major Project under construction was substituted by "Mandalay-Madaya-Singu-Wapyudaung-Mogok" Road Project.

After effecting such changes in this way by careful study, the following were substituted and redesignated as "Major Projects" in place of those works shown in the 4-Year Programme:—

- (1) Prome-Toungoo Road,
- (2) Taungdwingyi-Pyawbwe Road,
- (3) Pegu-Taikkyi Road,
- (4) Kunlong Ferry to Singaing Village, Kokum Frontier Road,
- (5) Toungoo -Thanatpin -Payagyi-Papun-Sittang-Thaton Road,
- (6) Mandalay-Madaya-Singu-Wapyudaung-Mogok Road,
- (7) Kanbe-Pyawbwegale-Dalla Road,



Hino cars in service along the road linking North and South Okkalapa towns

- (8) Kanbe-Kungyangone-Dedaye-Pyapon-Katon-Kani Road,
- (9) Myitkyina-Putao Road.
- (10) Gwa-Ngathainggyaung Road,

and such other new roads, including the under-noted bridges in Hanthawaddy District.

- (1) Okkan Bridge.
- (2) Thongwa Bridge.

These and other such major projects which it was considered imperative to carry out (a total of 62 projects) have been put in hand during the financial year 1959-60 and a sum of K 25,462,000 allotted for the purpose.

With a view to complete all these 62 majors projects, the works have been distributed for execution by the Department of Highways, the Army and the Autonomous States in pursuance of a new policy introduced by the Bogyoke Government. The costs of the works that

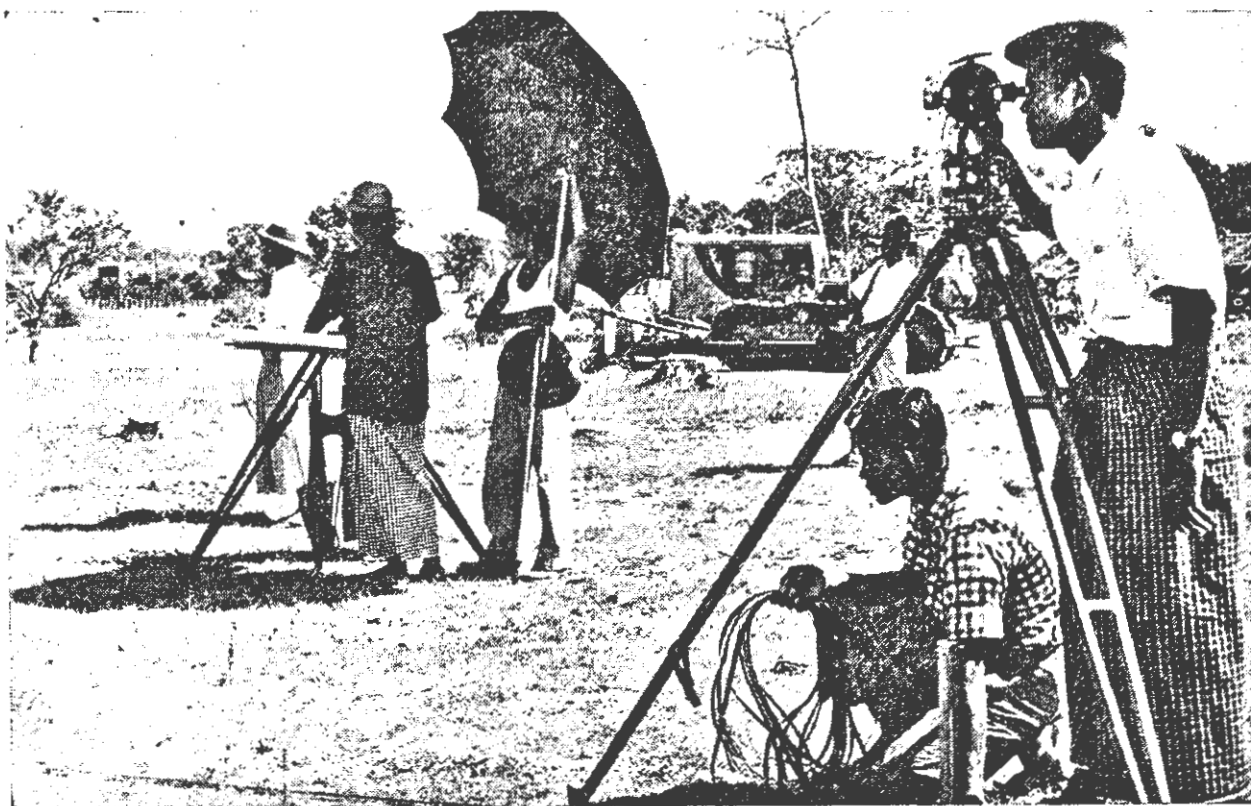
have been distributed as above is shown below :—

	<i>Estimated Cost. K</i>
(a) Works to be carried out by Department of Highways	14,439,450
(b) Works to be carried out by Army	10,286,550
(c) Works to be carried out by Autonomous States	736,000
Total	25,462,000

(C) NEW PROCEDURES

The new policy of distributing the works among the various authorities was a departure from normal practice but was for the benefit of the Union of Burma and the people as a whole.

The reasons for formulating this policy were that although the Department of Highways endeavoured to carry out the duties entrusted to it, to the best of its ability, owing to lack of security occasioned



Surveying and allocation of house sites in progress on the South Okkalapa town extension project

by insurgent activities; depletion of experienced Engineering staff due to officers being placed on Foreign Service or Deputation in other Government Departments, Boards, or Corporations; sharing of Plant and Machinery with other authorities; insufficiency of allotments, the efforts of the Department of Highways were nullified.

The lack of security for those employed on the works was one of the main drawbacks. As a consequence of reprisals by the insurgent elements against the staff working in the field, casualties often took place among officers of Executive Engineers rank down to the labourers, resulting in death.

The Bogyoke Government remedied this state of affairs by making available Army personnel for providing safety measures and this has resulted in the Department of Highways being able to show a better progress in work than heretofore.

(D) NEW CONSTRUCTION WORKS

The Bogyoke Government after giving emphasis and priority towards economic progress and social security; internal and external defence measures; peace within the country; cheaper and speedier travelling facilities; made arrangements for the construction of new roads which were absolutely essential.

In actual fact, a programme for the construction of new roads is of incalculable benefit to the country and the people residing in it. The immense good that will surely result for the country and the *Ludu* in the event that the new major projects like (a) Prome-Toungoo Road and (b) Taungdwingyi-Pyawbwe Road are completed needs to be explained and is outlined below.

A glance at the map of Burma will reveal that these two roads link the main Rangoon-Prome-Ava Highway on the one



Residential houses of South Okkalapa town

hand and the main Rangoon-Mandalay Highway on the other and also pass through the area which contains the valuable teak forests on which Burma depends for its economy.

Although the Rangoon-Mandalay Highway and the Rangoon-Prome-Ava Highway traverse the Pegu Yomas on either side, there has been no means of communication linking up these two highways across this range of mountains and if one wished to travel from Prome to either Toungoo or to Pyawbwe, one had to travel by road to Htaukkyan and then proceed to Toungoo and thence to Pyawbwe, if the destination was the latter place.

In having to travel by this route, the traveller has to waste a lot of precious time, energy and money. Once these two roads are completed, it will no longer be necessary to make the long detour described above, and the journeys can be performed in one day.

Besides this, it will become possible to pursue a more vigorous policy in respect of extraction of teak in the area, leading to more trade in this commodity. Needless to say, the advantages that will be derived for the purposes of administration and security of the area are many.

The other new roads and new bridges that are now being constructed, will also lead to similar benefits and there is no need to elaborate further.

In order that the Department of Highways could be in a position to carry out its duties smoothly, which it was unable to do in spite of strenuous efforts, owing to lack of security and shortage of labour, the Bogyoke Government arranged for co-ordinated action on the part of the Department of Highways and the Security Councils so that works could be executed in a more satisfactory manner and in keeping with the saying that "Unity is strength."

The Bogyoke Government keeping in mind the social security of the populace; internal and external defence measures; internal security; and better administration of the country; gave the responsibility for the construction of 20 new roads to the Army Engineers as the Department of Highways was unable to cope with all the works for the reasons already given above.

By reducing the heavy load which was being borne by the Department of Highways, and sharing it with the Army it will be possible for the country and the populace to enjoy all the benefits that is bound to arise by such co-ordinated action.

(E) RECENT ACHIEVEMENTS

Before the Bogyoke's Government assumed the reins of Government it was not possible to travel safely during the hours after daylight. Because of the fact that transport could only travel during the day, accidents were frequent on the narrow roads owing to congestion of traffic, and travel was tedious.

Soon after the Bogyoke's Government took over, security measures for the roads were tightened up and travel by day and night was possible. The result was that the prices of commodities spiraled downwards, speedier transportation became available and social security was increased.

In addition to this, the Bogyoke Government was instrumental in removing the undesirable encroachments on road-land which had occurred during the previous 10 years and which were obstructing traffic to a great extent and were the causes of numerous road accidents.

In proclaiming the various achievements of the Bogyoke's Government, it will not be complete if mention were not made of the work of "Widening the Rangoon-Insein Road."

As such it is desirable that this remarkable and laudable achievement should be brought to the notice of the country. Being the main artery for entry to the metropolis of Rangoon, its existing roadway of 18' only was too narrow for the volume of traffic that was utilizing this road, and traffic accidents were commonplace. The area through which it passed through was also the heart of the industrial area, and as such, traffic connected with the industry was heavy and it is also a thickly populated part of the town.

Therefore, this stretch of the road could be considered as a vital artery of Rangoon Town itself. This road was widened from 18' to 70' from the junction at the Rangoon Central Jail up to the Petrol Station at the entrance to Insein Town under the direct supervision and control of the Army Engineers in the short space of three months during the term of office of the Bogyoke's Government.

Thus this road became a source of pride to Rangoon, the capital of Burma and the people of the Union of Burma as a whole.

In the Arakan Division, the Sandoway-Gwa Road, 80 miles in length, had since the year 1949 been accessible for 11 miles only up to Sinkhingale Village, and the remaining portion had been cut off owing to the domination of the area by the insurgents.

The Bogyoke Government instituted measures for the opening up of the road, and in the space of four months the Department of Highways with the assistance of the Security Council of that area, was able to repair the road for a further 40 miles up to Kyaintali Village. Up to the time of the writing of this report it may be assumed that the road has been repaired up to Gwa.

The opening up of this road after 10 years during which the residents of the area have been isolated from the areas under the

control of Government will no doubt always be remembered gratefully by them.

Another chapter in the achievements of the Government of Bogyoke was the opening up of the Toungoo-Mawchi Road. The Toungoo-Mawchi Road on the east of Toungoo passes through the Karen State and the Kayah State to Mawchi where valuable minerals are available. In order to get to Mawchi, one has to pass through the KNDO stronghold of Bawgaligyi Village at the risk of one's life.

For this reason this road had deteriorated into very bad state through lack of maintenance and repairs from the year 1949 and was accessible up to 13 miles only from Toungoo. In order to gain access to the valuable mineral wealth at Mawchi, the Department of Highways was given the responsibility for opening up this road to Mawchi, and also with a view to making it usable by the people of the area.

The staff of the Department of Highways responsible for this work, worked day and night after obtaining the assistance of the Army, and in two months, the portion from Mile 13 up to Mile 55 past Bawgaligyi Village and another stretch of 12 miles from Mawchi had been repaired, i.e., a total of 67 miles became accessible during both the hot and rainy seasons.

One of the incidents worthy of note during the period when this work of repairs was being carried out was the untimely death at the hands of the insurgents while performing his duties of Mr. S. C. Ghosh, the Divisional Engineer in charge, who had spared no pains in the carrying out of the task. In recognition of his heroic devotion to duty, Mr. Ghosh was given a posthumous award of *Thihabala*.

The work carried out on the Kyaukpadaung-Meiktila Road merits attention. Before the Bogyoke Government took over,

the road was exceedingly rough, with deep gulleys to negotiate. Today, one will be surprised at the considerable improvement on this road that has occurred during the Bogyoke Government's regime.

The Bogyoke Government was also instrumental in the erection of 240' span 50' high Bailey Bridge on this road. This work was successfully completed in spite of the seemingly unsurmountable obstacles and the bridge was opened to traffic only two months after it was commenced. The opening of this bridge which has been of immense benefit to the travelling public will always be remembered by a grateful people, long after the Bogyoke's Government hands over to its successors.

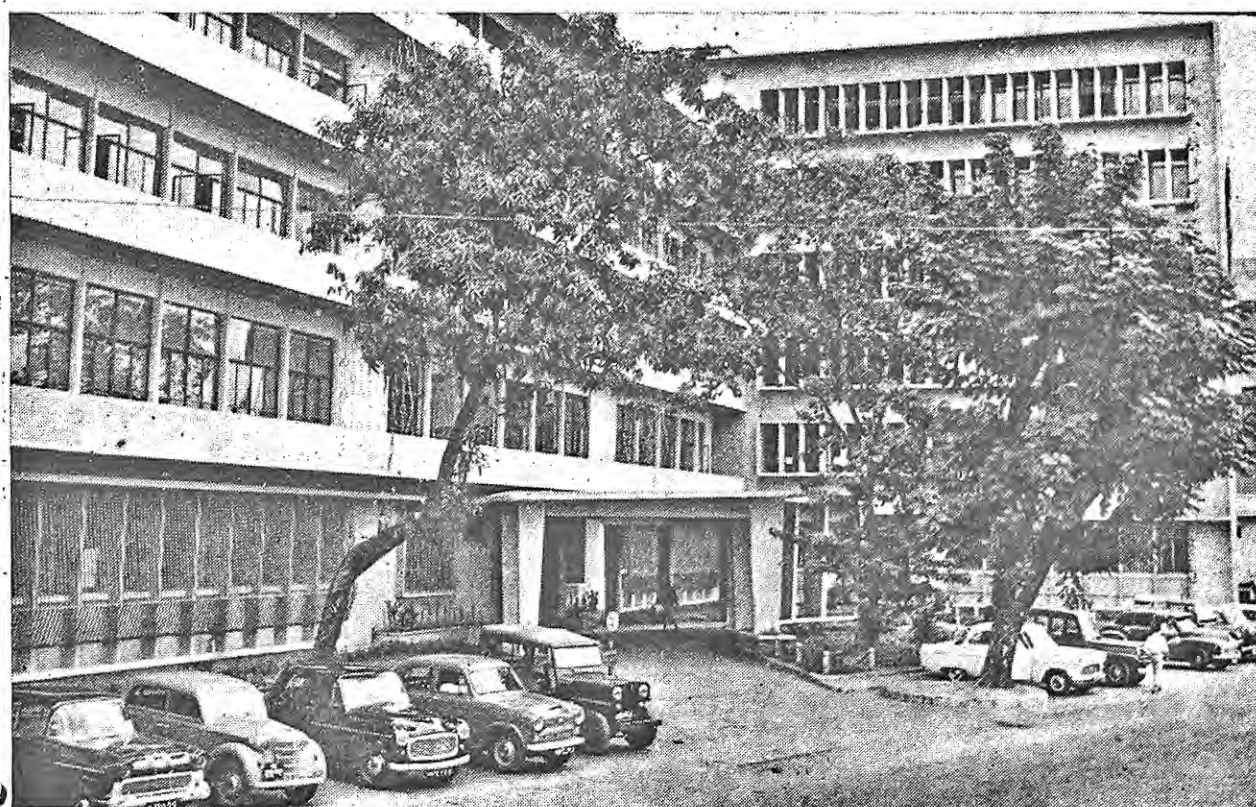
The 100 miles long Ye U-Shwegyin Road which had been completely dominated by the insurgents soon after Independence was also opened up by the Department of Highways with the assistance of the Army,

and the populace is now able to utilize this road without let or hindrance.

Limitations of space will not permit of recounting each and every other similar achievements by the Department of Highways during the period of the Bogyoke Government's regime, and as such the benefits that will accrue after the Pazundaung River Bridge Construction work ; Theyetmyo-Mindon Road ; Thazi-Tachileik Road ; Construction work at Okkalapa North ; Mandalay-Madaya-Singu-Wapyundaung Road Construction works are completed is not dwelt upon.

(F) ADMINISTRATIVE REORGANIZATION

With a view to making the Department of Highways more dynamic in its functions, the Minister for Public Works and Housing, reviewed the organizational set-up of the



The 6-storey new Secretariat built by the National Housing Board

Department of Highways which had been evolved during the years between 1948 and 1959 and has spared no efforts towards a study of a new organization which is now under consideration.

In order that works entrusted to the Department of Highways may be completed within the period specified and in order that the maximum benefits may be derived by the Union Government, a Public Works Advisory Committee comprising of high ranking officers of the Army, the Ministry of Public Works and Housing and the Department of Highways was formed by the Bogyoke Government.

The aims and objects that led to the creation of this Public Works Advisory Committee were in consideration of the dire necessity for increasing the existing mileage of 6,439 miles of sub-standard roads of the British era and convert them into modern roads capable of meeting the needs of security and commerce ; linking up one district with another and so also the towns.

An additional 5,000 miles of new roads are actually necessary. In order to construct these new roads ; maintain those already in existence, improving the old roads and bringing them up to modern standards ; with the yearly budget allotments made available, utilizing the existing staff and plant and machinery, it was necessary to have one body solely to act in an advisory capacity for co-ordinated action, and therefore this Public Works Advisory Committee was created.

This Public Works Advisory Committee will—

- (a) Advise the Union Government in respect of Policy in matters relating to Highways.
- (b) Arrange for and frame the Long-term and Short-term as well as

the *Ad hoc* Programmes, to be in accordance with the policy laid down by the Union Government.

- (c) Direct the preparation of the Budget Estimates based on the Road Programmes.
- (d) Fix priorities for works with reference to security, economic aspects, and social welfare.
- (e) Direct the deployment and distribution of man-power ; plant and machinery ; store, etc., on the basis of actual requirements for the execution of works.
- (f) Review and suggest improvements from time to time in respect of matters affecting the Department of Highways Organization ; Equipment ; procurement of stores in advance of requirements ; training of personnel.
- (g) In matters affecting actual execution of works, ensure speedy execution ; economy of expenditure ; good workmanship, etc., by constant check and control.
- (h) In matters affecting the Department of Highways and its dealings with various other Government Departments, arrange for closer co-operation.
- (i) Deal with any other matters as they arise in the appropriate manner.

The foregoing are the achievements of the Bogyoke Government towards the improvements to road communication for which the Department of Highways is responsible. The measures instituted by the Bogyoke Government for present requirements and in anticipation of future needs will be of special benefit for the people of the country now and in the future.

II. The National Housing and Town and Country Development Board

The war and the insurrections which followed soon after, left a trail of destruction throughout the country and thousands of people have been left without adequate housing. The Union Government found it necessary to make a concerted effort to solve this pressing problem and by an enactment of Parliament—Act No. 63 of 1951—the National Housing and Town and Country Development Board was established in November 1951 to fulfil this function. It was charged with the duty of providing adequate housing and sanitary environment for the people and the development of towns and the countryside leading to a more healthful and prosperous life throughout the Union of Burma.

The Rangoon Development Trust was merged with the Board by amendment to paras. 13 and 17 of the Board Act and the Trust's functions and activities taken over by the Board with effect from 1st December 1955.

(A) CONSTRUCTION OF NEW TOWNS

The top priority project of the National Housing Board during the term of the Caretaker Government, has been the construction of the new satellite towns of Okkalapa (North and South) and Thaketa.

The construction of the new towns was rendered necessary by the need to provide healthy environment and orderly housing to the dwellers of the hutments which had mushroomed all over the City during the years after the War. The hutment problem was created by an unprecedented increase in the population of Rangoon during the post-war period. This was further enhanced by the migration of population from rural areas, because

of unsettled conditions due to insurgency so that towards the end of 1958, the population was estimated to be well over 8 lakhs.

The migration of the rural population resulted in unsightly hutments appearing in all and every vacant lot and even on roadside pavements and over drains, bringing in its trail, deterioration in health and hygiene of the people, cleanliness of the City and ever-present fire hazards.

It has long been recognized that such a situation could not be allowed to continue; but firm and drastic action which alone could cure this pernicious disease was not forthcoming throughout the past ten years. The new Government found it necessary, to prevent further deterioration in the situation, to deal with the problem with despatch and decisiveness.

The Rangoon Corporation was given the task of removing the hutments and the National Housing Board was charged with the duty of constructing new towns with proper lay-outs, facilities and amenities to accommodate the displaced population. In carrying out this task the co-operation and assistance of various other governmental organs was enlisted, to name a few, Highways Department, ESB, ARDC, Social Services Directorate, and Postal Service.

Members of the Armed Forces, especially the Engineering Corps, have also played a leading role in this Project. Such united effort has resulted in the successful progress of the project which you see today.

It must be admitted that in the new towns, conditions with regard to roads, water supply and electrical installations were far from satisfactory, during the previous year. But greater efforts have been made this year and old roads and drains were mended, new ones are under construction, electric lights have been further installed and the water supply problem is well on the

way to being solved as more tube wells are being sunk and brought into service.

(1) *Okkalapa (South)*.—The total area of the town is 1,485 acres and up-to-date 8,693 house sites have been allotted out of the total of 10,374 sites (inclusive of 120 sites discarded). The estimated population at present is 73,065. The main and access roads cover the total length of 74½ miles. To prevent the outbreak of epidemic in the town, health clinics were opened for inoculation and medical service to the residents of the town.

To facilitate the people in building their houses, housing materials such as bamboo, timber, etc., are supplied by the Army stall opened there, at moderate prices and for security, police outpost and fire brigade have been stationed. During the water scarcity season water storage cars go round the town distributing water to the town-folks.

At the beginning of the rainy season, a cyclone destroyed 168 houses and within the period of 15 days the construction teams with building materials renovated and re-erected the storm-damaged buildings.

In conjunction with the construction of roads and drains, essential buildings were constructed for health, education, security, communication and economic welfare. Means of water supply had to be resorted to by sinking 136 surface wells and 4 tube wells, each yielding 50,000 gallons per hour. 12' water supply mains and distribution pipes have been laid all along main roads and access roads and necessary arrangements are underway to give adequate water supply.

(2) *Extension of Okkalapa (South)*.—1,500 acres of land lying between Ngamoyeik Creek and Rangoon-Mandalay Road have been acquired and lay-outs are being made and with the co-operation of the

Irrigation Department, mechanised construction works on roads is carried out at present.

OKKALAPA SOUTH

Expenditure incurred during the period ending 30th September 1959

<i>Roads, Drains and Bridges.</i>	<i>Buildings.</i>	<i>Water Supply.</i>	<i>Total.</i>
K	K	K	K
9,64,070'25	7,06,176'77	5,51,702'58	22,21,949'06

Expenditure incurred during the period between October and December 1959

<i>Roads, Drains and Bridges.</i>	<i>Buildings.</i>	<i>Water Supply.</i>	<i>Total.</i>
K	K	K	K
1,63,625'97	1,63,625'97

(3) *Okkalapa (North)*.—The total area of the town is 1,423 acres and 7,579 housing sites, 40' by 60' per plot have been allotted. The estimated number of buildings built is 16,727 with a population of 68,247.

80' to 100' wide main road covering the length of 15.13 miles, 50' wide road covering the length of 13.04 miles and 30' wide road covering 41.36 miles have been constructed within the year.

Drains and bridges to the lengths of 8,800' and 215' respectively are being constructed.

The construction of different types of buildings for health centre, post office, police station, fire brigade, and two schools (300 student type) have been completed while street lighting is installed all along the roads, the total length being nearly 20 miles.

Adequate water supply has been provided by tapping the Gyobu Pipe line and 350 stand-pipes and 46 fire hydrants have been installed.

Health Centre for prevention of epidemic, police and fire stations, a middle and a primary school and social centres such as

cinema and theatre have been opened. Army food and housing material stalls, fish distributing centres and four markets are also provided for ready requirements of the inhabitants of the town.

Expenditure incurred for the works in Okkalapa (North) up to the period ending 30th September 1959

<i>Roads, Drains and Bridges.</i>	<i>Buildings</i>	<i>Water Supply.</i>	<i>Total.</i>
K	K	K	K
24,34,877'48	5,31,597'45	4,06,361'65	33,72,836'58

Expenditure incurred for the works in Okkalapa (North) for the period between October and December 1959

<i>Roads, Drains and Bridges.</i>	<i>Buildings.</i>	<i>Water Supply.</i>	<i>Total.</i>
K	K	K	K
3,54,434'67	13,759'35	17,111'88	3,85,305'90

(4) *Thaketa*.—Housing sites were laid out in an area of 11,509 acres lying in Dawbon village-tract, and 4,665 out of the total sites of 5,248 have been allocated.

Main roads, access roads and feeder roads have been constructed in Blocks Nos. 1, 2, 3, 4, 5 and 6 and 14,000 feet of embankment. A 22-feet wide tar road which linked up Majid Road with the junction of Min-nan-dar and Aye-ya-wun roads in Thaketa had been completed. The railway bridge across the Pazundaung Creek was converted to road use by engineers of the Burma Army Engineering Corps at a cost of K 1,70,000 and now links Rangoon to Thaketa.

Construction of the following buildings has also been completed:—

One health centre, two schools (300 student type), one police station and one open air theatre.

For supply of water to the town—

Two tube wells were sunk; pipes have been laid down in Blocks Nos. 1,

2, 3, 6 and 7. Efforts are being made this year to provide adequate water supply and a programme to sink tube wells in Thingangyun area and to pipe the water across to Thaketa is underway.

Street lighting as well as building lights were also installed.

Expenditure incurred on works in Thaketa for the period ending 30th September 1959

<i>Roads, Drains and Bridges.</i>	<i>Buildings.</i>	<i>Water Supply.</i>	<i>Total.</i>
K	K	K	K
94,568'31	3,37,831'07	5,29,696'34	18,12,922'40

Expenditure incurred on Works in Thaketa for the period between October and December 1959

<i>Roads, Drains and Bridges.</i>	<i>Buildings.</i>	<i>Water Supply.</i>	<i>Total.</i>
K	K	K	K
41,768'31	164	10,301'00	52,233'31

(B) OTHER CONSTRUCTION WORKS

In addition to the new towns, the Board has carried out other construction works.

(1) *Civil Works*.—The Board has carried out construction works for Government Departments such as the Customs, Health, Education, Home, Telecommunications, Agriculture and Culture as per programme approved by the Government and a sum of K 61,22,875'94 (Kyats sixty-one lakhs and twenty-two thousand, eight hundred and seventy-five and pays ninety-four only) was incurred for this purpose.

(2) *National Housing Board Works*.—The Board's own works under the following major heads of accounts:—

- (a) Housing;
- (b) Town Development;
- (c) Country Development;
- (d) Economic Development;
- (e) Miscellaneous Works;

(f) Rangoon Development Works;

(g) Tools and Plants; and

- (h) new towns were carried out and a sum of K 96,24,202·85 incurred.**

Out of the construction works carried out by this Board, mention is made of the following major projects :

- (1) Completion and opening of the new Secretariat building at Strand Road.
- (2) Completion and handing over to the Ministry of Information of the BBS building at Prome Road.
- (3) Addition and renovation works done at the Rangoon General Hospital.
- (4) Supervision by Board's engineers of the construction of fair-price shops established by the Civil Supplies Department and Joint Venture Corporations.
- (5) Preparatory work on the construction of Civil Supplies Departmental Store at the corner of Strand and Shwebontha Streets.
- (6) Preparatory work for construction of regional hospitals in Moulmein and Bassein.
- (7) Completion of plans for Aerial Survey buildings and preparation for construction work.
- (8) Drawing plans for Public Administration Buildings.
- (9) Preparatory work for the construction of Rangoon University Intermediate College under ICA programme.
- (10) Construction of buildings for the Telecommunications Department at Togyaunggale.

(C) OTHER ACTIVITIES OF THE BOARD

Since the advent of the Bogyoke Government, various measures have been undertaken to effect efficiency and progress in departmental organs carrying out the varied activities of the Boards, some of which are highlighted below:—

(1) Estate.—

- (a) *Number of Housing Units available and applications for Housing Accommodation.*—The Estates Department of the National Housing Board is a barometer for the housing problem in Rangoon. The number of housing units available today (since 1951, when the Board came into existence) is only 2,857 units of pucca buildings *plus* 5,835 of "basha" structure built as transit camps for fire victims, making a total of 8,692 units.

As against this very limited supply is the ever-increasing demands made manifest by the 7,863 applications for housing accommodation received in the office during the year under report. Since most of the houses, with the exception of some out-of-the-the-way barracks at Thingangyun, have already been let, the slowness of the chance for the above-mentioned applicants can very well be imagined.

- (b) *The Merit-Point System in Allotments.*—One distinctive feature in the allotment of the housing units, adopted by the Board during the period under report is the Point-System. In the past, there had been no fixed principle in the allotment of accommodation, resulting in favouritism and unsavoury

practices. The Board has formulated a system whereby the various factors of the present housing situation of the applicants are assigned appropriate number of points, prescribing the maximum.

Thus the most acute conditions of living are given the highest number of points. The system is kept confidential with the gazetted officers of the Board assigned with the task of assessing the merits of the applications. Due regard is given to propriety and truthfulness of the application. The assessed applications are reviewed by the Accommodation Committee of the Board, classified into income groups, and then arranged in order of merit-points.

The lists of applications thus arranged are then confirmed and recorded (confidentially) by the Committee to be referred to whenever a chance vacancy in the housing estates occurs, and the applicant at the top given first priority.

- (c) *The Accommodation Committee.*—The Accommodation Committee of the Board is a purely recommending body whose resolutions need the approval of the Board before becoming effective. Before the AFPFL split, there were representatives of the AFPFL and the ABPO serving on the Board as well as its various Committees.

During the present Government's time, however, the non-official members of the Board and its Committees are chosen from amongst the government pensioners of some outstanding record.

- (d) *Arrears of House Rents.*—The previous policy (i.e., before the AFPFL split) of the Board was to give no prior consideration to government servants in the matter of housing allotment. They were treated as members of the general public. There have been cases where this policy has been responsible for bad arrears of house-rents. This is especially evident where the allotments were made purely on the recommendation of the local Fire Refugee Relief Committees and the local ward AFPFL's.

- (e) *Recovery of Arrears.*—The following are the figures (in kyats) as at 30th November 1959:

Year.	Demand.	Collected.	Arrears.
	K	K	K
1957-58	28,85,048.71	26,13,700.90	2,71,347.81
1958-59	27,78,636.40	24,53,270.59	3,25,485.81
1959-60	4,54,852.57	3,58,398.09	96,454.48

The balance of rent for 1957-58 as at September 30, 1958 is K 5,91,945.99. As at November 30, 1959, the balance for that year being K 2,71,347.81, the collection within the 14 months is K 3,20,598.18.

For the year 1958-59 the balance as at September 30, 1959 is K 3,75,208.34. As at November 30, 1959 the balance being K 3,25,485.81, the collection made in October and November 1959 is K 49,722.53.

- (f) *How Rents are fixed.*—In fixing house rents, the Board takes as a basis the Year's Purchase method, which, in essence, is the financial formula whereby a capital investment is calculated to yield annually a desired interest, together with the

proportioned amount of capital to be recovered over a fixed period.

The interest rate taken is barely sufficient to cover the rate liable by the Board to the Government, and the period fixed is 75 years—the estimated life of the buildings.

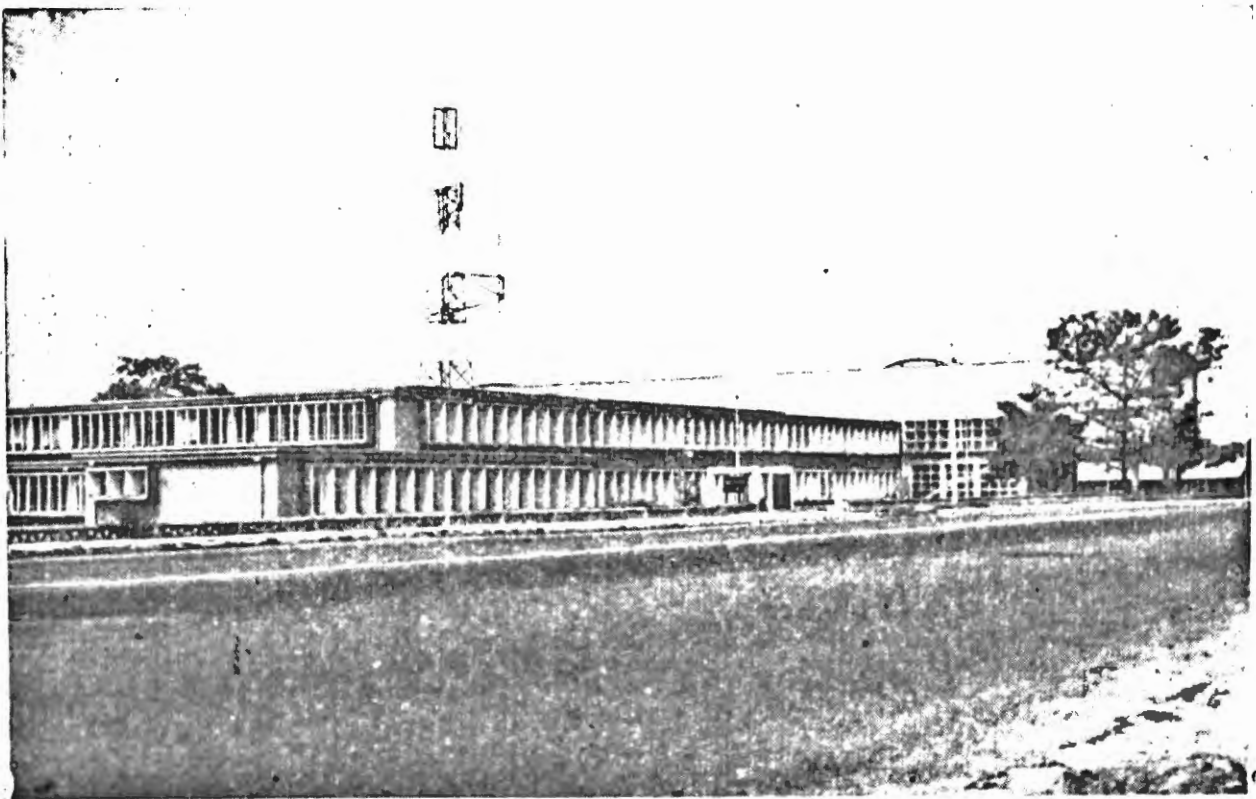
However, the above calculation serves just as a basis. The rents are fixed much lower than the figures worked out by the formula, for the reason that it would be too burdensome for the tenants to pay the economic rent. The discrepancy is borne by the Board, as it is today. In future, it is expected that any such deficiency would be taken care of by the Government.

In so doing, it is suggested that positive subsidies (that is, fixed amounts per dwelling per year

over a fixed period) rather than negative or hidden subsidies (as is the present system) should be a better and more commendable system of housing subsidy.

(g) *Evictions.*—Cases of sub-letting or transferring the rented housing have been discovered from time to time and evictions under the Government Premises (Eviction) Act effected. There were 34 eviction cases during the year. In a democracy, no action under the law is justified unless substantial evidence or conclusive proof is made out; and in a case of sub-letting, such evidence is not always possible to make out.

Under the circumstances prevailing regarding housing, many marginal cases could be picked up where one finds it hard,



The new broadcasting building on Promenade Road built by the NHB

if not impossible, to distinguish a genuine case of joint living from one of wily sub-letting.

- (h) *Government Buildings and Requisitioned Buildings.*—In addition to the above houses, there are also those housing units for the government servants, built (or requisitioned) pre-war—

	Unit
Government Quarters ...	760
Requisitioned Quarters ...	301
Total ...	1,061

- (i) *Office Buildings.*—The Board also manages some 89 office-buildings. Office-accommodation is a subject of the Ministry of Public Works and Housing. The Board is concerned with maintenance and repairs only.

It is the government's policy to de-requisition those private buildings where government offices are presently housed, as soon as proper office buildings could be put up.

- (j) *Anomalous Rents.*—House rents for the government and requisitioned buildings are comparatively lower than those for National Housing Board flats. A Government servant living in a government house or flat would be better off in his rent-burden than his colleague living in a National Housing Board flat of comparable size and amenities. A review of these anomalies is therefore being made by the Board.

Generally speaking, the Board now holds the view that economical rents should be charged as against heavily subsidized (hidden-subsidy) rental policy of the former period. In the long run,

this question of economic rentals must necessarily come in as a most pertinent factor in formulating a public housing policy.

- (k) *Standards of Living.*—The aim and object of housing management is not merely to recover the rents due but to see to the welfare of the tenant. With this end in view, the National Housing Board has on its establishment a landscape gardening crew whose duty it is to plant trees and to cultivate lawns about the estates.

In many cases, the standard of living in these newly-built homes is not up to expected standards. Untidiness, squalor and, in a few cases, even insanitary habits still mark the new estates, which will, with the proper education of the tenants, improve but slowly.

(2) *General Administration.*—

- (a) *Enforcement of Discipline.*—Under the Bogyoke Government a drive has been made to instil and maintain office discipline among all employees and it has proved a decided success.

Staff Unions and Associations with political leanings have been deprived of their privileges and status and an atmosphere of work devoid of political influence, bickerings and activities has consequently grown into being.

An innovative procedure of assigning Gazetted Officers of the Board by rotation to escort duty in withdrawals and deposits of money by the Treasury Department at the Bank to further safeguard the money in transit has been established.

- (b) *Termination of the services of non-citizens.*—Twenty technical personnel serving with the Board on contract were released from service and Burma nationals substituted in their places. There still remain 17 (seventeen) such personnel whose term of contract will expire in the near future and arrangements have been made to release them on expiry of their contract and to substitute Burma nationals in their place.

In pursuance of Governmental policy to conserve foreign exchange and to decrease foreign exchange commitments, measures were taken to substitute Burma nationals for foreign personnel in menial service, wherever possible. Where a degree of skill is involved and satisfactory substitutes could not be found these personnel had been retained but their tenure of service will be terminated as and when replacements can be found.

(3) *Accounts.*—

- (a) *Monthly Accounts.*—Although it has been laid down that the Monthly Accounts of the Division should reach the Main Accounts Department in Rangoon by the 10th day of each month, the instructions were not usually complied with in the past. The Monthly Accounts used to be forwarded 5 to 6 months after their due dates. Besides, they were not complete also.

Due to the frequent reminders and warnings of strict disciplinary measures, the Accounts were later generally received regularly and

complete. At present there are almost no cases of failure in the matter.

- (b) *Pyidawtha Accounts.*—Under the Pyidawtha scheme of the previous Government the construction of hospitals, schools and model villages were placed in the charge of this Board. To facilitate payment for these constructions P.L.As. were opened in the name of many Pyidawtha Committees.

For some time it has not been possible to know the position of those P.L.As. as the P.L.A. holders failed to render accounts regularly and up to date. The Accounts Officers had therefore to be sent out to audit and close them. The situation has since improved and there are a few accounts now left to be audited and closed.

- (c) *Annual Accounts.*—Because the Monthly Accounts have not been received regularly and complete in the past, the Annual Accounts for 1950-51 to 1954-55 could only be drawn up and closed temporarily.

But due to the efforts of the Accounts Department under the instruction of the present higher authorities, the situation has since improved, and beginning from the end of June 1959, it has been able to close not only the above accounts but also the Annual Accounts for 1955-56, 1956-57 and 1957-58 before the end of September 1959.

- (d) *Work-Bills.*—It was noticed in the past that in some divisions bill for work done were prepared 6 to 12 months after the work was completed. It is now being seen to that such practice is

discontinued under the present administration, and explanations from the officers concerned are called for whenever undue delay is noticed in the preparation and submission of bills.

(c) *Machine Accountings.*— Machine accounting was first introduced to deal with the estate accounts, and the preparation of house rent receipts, assessment rolls, and realization and outstanding statement of arrears of rents are now prepared by means of a modern accounting machine. This system is found successful and machine accounting has since been extended for preparatory of pay bill of officers and staff of the main office of the Board. Arrangements are proceeding to include Works, Budget and Stores Accounts in machine Accounting.

(f) *Audit Report and Public Accounts Committee.*—The accounts of the Board for the years 1951-52, 1952-53 and 1953-54 were audited by the Local Fund Audit Department. The Audit Reports were then submitted to the Public Accounts Committee. The Chief Executive Officer appeared before the Public Accounts Committee to answer the points raised in the Audit Reports and the Committee made valuable suggestions regarding the procedure for maintenance of accounts. These suggestions were invariably adopted by the Board towards greatten improvement of the Board's accounts.

(4) *Recovery of Loans.*—

(a) *Sale of Aluminium Sheets.*—The Board has made available to local bodies aluminium sheets

for sale, on a five-year instalment payment system to the public. The total number of roofing sheets sold under this Scheme is 873,871 sheets and the value totalled K 51 lakhs. Recovery made up to 31st December 1959 is K 32,97,718.72. During the period 1st January 1958 to 31st December 1958, a recovery of K 5,55,219.95 had been made but in the same period for the year 1959, the recovery made was K 6,11,172.30, showing an increase of about K 1 lakh.

The increase in recovered amount was the result of a drive made by the Board to get the local bodies to contribute their share of effort to get the money back from the public ; it being declared that the Board would take revenue recovery proceedings under the provisions of para. 27 (a) of the National Housing Board Act against the local body which fails to pay back the amount due within the contractual period. Proceedings were also initiated against certain local bodies which infringed the terms of their contracts.

Difficulty has been experienced in the recoveries as the contracts between the Board and local bodies did not stipulate fixed periodical instalments but provided only for full recovery at the expiry of five years, thus tying the hands of the Board until such time as the contract expires. The system gives room for manipulation of purchase money recovered by local bodies, if they so wish, and also encourages laxity in the supervision by the local bodies of collection of instalment payments.

This Scheme is presently under suspension and it is hoped that if and when such sale of aluminium sheets is contemplated in the future the instalment payment system will be scrapped and a cash basis sale made directly to the public will be adopted, thus obviating the difficulties of recovery inherent in the previous scheme.

- (b) *Loans to local bodies for construction of roads and drains and water supply.*—The Board, in pursuance of provisions made under para. 24 (1) (2) (d) (e) (f) (g) and para. 27 (1) (a), has expended for construction and rehabilitation of roads and drains and development of water supply in the districts by loans and grants made to the local bodies concerned.

Half of the loans so made are to be recovered from the local bodies in instalments over a number of years according to the amount loaned, whereas half this amount was considered as the contribution of the Board towards the work and not to be recovered. For detailed accounts of the Scheme, annexure may be referred to.

Local bodies have been found to be reluctant to pay back the money due to the Board. Under the new Government, the Board has had to reprimand them to recognize their responsibility and to fulfil their contractual obligations and satisfactory progress has been made in the recoveries.

The Scheme has been defective in that the Board had not, at the time of making the loans, found fit to examine the assets

and liabilities of the local bodies and to assess their ability to meet their obligations.

Any aid by the Board to the local bodies should be at the request of the Ministry of Democratization and Local Government who shall recommend the aid and be also responsible for the recovery of the monies due to the Board. Such a procedure would ensure a fair success of the Scheme.

- (c) *Model Villages.*—The aim of the model village scheme is to promote the living standard and economic welfare of the villagers. To meet the successful end of this scheme representatives from seven Government Departments were co-opted in Town and Country Development Committee.

Housing materials in the shape of aluminium sheets and teak were sold to model villagers on 5-year instalment payment system. In this connection sale deed was drawn between the Board and the buyer on the recommendation of the Pyidawtha Committee concerned but actually no Pyidawtha Committee played their part in execution of the deed when sale was made and hence no deed had been executed even after the sale of the sheets and as such the Board was compelled to send Model Village Officers to the villages to have the deeds executed. Difficulty was met in the recovery of instalments for lack of co-operation from the Pyidawtha Committee.

The total value of aluminium sheets and timber issued to the model

villagers was K 15,37,324.52 and the amount to be recovered by the Board in 1959 was K 4,06,336.82.

Comparative statement of amounts recovered in 1958 and 1959 is given below—

Year.		Amount recoverable.	Amount collected.	Per-centage.
1958	...	1,94,458.88	6,656.80	3½%
1959 (up to 31st December)	...	4,13,051.61	82,505.83	21%

As per above statement marked improvement can be seen under Bogyoke's Government. In the past the Board has accepted appeals and granted postponements of payment. Now such appeals are not allowed and defaulters are directed that recovery proceedings will be opened against them under Section 27 (a) of the National Housing Board Act. It is anticipated that increased payment of instalment is forthcoming.

As from 1957—59, the Union Government has not granted Budget provisions for further implementation of the Scheme which has been under suspension since then.

Model Village Scheme has not proved successful due in most part to the following factors:—

- (1) Lack of prosperity in the countryside.

- (2) Lack of security.

- (3) No helping hands forthcoming from Pyidawtha Committee though it is a welfare scheme.

Economic difficulties contributed to inability of villagers for payment of instalments when due. The Board in the past had not taken into consideration the economic problems of the villagers before making sale of the housing materials and thus the Board has to face difficulties in regaining its investment.

- (d) *Housing Loans*.—A total sum of K 24,05,800 has been expended by the Board in disbursement of housing loans, repayable in equated monthly instalments over a period of 20 years. One hundred and thirty-five such loans were issued for house builders in Rangoon and its suburbs and 16 in the districts. In the past, due to the relaxation by the Board of contractual terms and the imposition of fine only in respect of default in payments of instalments, there had been quite a number of such cases. But since the abolition of the fine system and replacement for it, of revenue recovery action as provided for in the contract, there has been no such cases.

A comparative account of the recoveries made in 1958-59 as against 1957-58 is shown below:

Year	Capital	Interest	Total	Remarks
	K	K	K	
1958	1,73,500	91,700	2,65,200	In 1958, 6 loanes and 1959, 7 loanes made full payment.
1959	1,91,300	91,000	2,82,300	Average monthly amount recovered is between K 13,000 and K 14,00.

(5) Land and Revenue—

- (a) Collection of Land Revenue and rent .—**A marked increase in the collection of Land Revenue and rents has been achieved during the period under the Bogyoke Government by *Akunwuns*: personal supervision in the actual collection and by institution of revenue proceedings against defaulters.

Before the advent of the present government, total assessment for the year 1957-58 was K 20,00,039.54 and collection made was K 10,90,267.20. Thus percentage of collection as against assessment was 79 per cent necessitating institution of revenue proceedings for collection of arrears on the remaining 21 per cent.

During the term of the present government, as against total assessment of K 24,13,843.32 for the year 1958-59, the collection was K 23,19,104.73 giving a percentage recovery of 96 per cent. The highest percentage collection ever made by the Board in the past was 80 per cent and the 96 per cent now scored establishes a high record and gives ground for pride of achievement.

Arrears of rent recovered by revenue proceedings during 1957-58, amounted to K 1,00,800.49 whereas the amount recovered during 1958-59 totalled K 1,80,653.03, thereby showing an increase in recovery of arrears of about kyats eighty thousand.

- (b) Directions framed for disposal of leases.—**During the post-war period, applications for renewal of leases which had expired began

to pile up in the land office of the Rangoon Development Trust and the passage of time served only to increase the number of such files. The National Housing Board inherited this backlog of cases and also gained new increases as the cases could not be disposed of with due despatch and decisiveness.

Disposal of Town Lands poses problems which are not met with in the case of agricultural lands. It has been found necessary to supplement The Lower Burma Town and Village Land Act and Rules with appropriate Directions and Orders. During the term of the Bogyoke Government, Directions for disposal of leases have been framed based on the history of land-ownership, occupancy rights and precedence acquired from disposal of previous cases, and in accordance with the provisions of the prevailing Rangoon Development Trust Act. These Directions have been accepted by the Board and will soon be implemented. The policy and the procedure to be followed in the disposal of leases have been fully enunciated in the Directions and the way is now opened for the disposal of cases with despatch and decisiveness.

(6) Survey.—The Survey Department contributed its share in the construction of the new satellite towns of Okkalapa (South), Okkalapa (North) and Thaketa. Of the many tasks involved in the implementation of the Project, two primary tasks were, firstly to evict hutments encroaching on Government Municipal and private lands; secondly to accommodate the displaced population on housing sites in the new towns.

1959-60 Works Programme for the New Satellite Towns

	Sanctioned	First Revised	Final Revised
NHB Works	K	K	K
Roads and Drains ...	72,28,000	1,51,61,500	1,31,97,000
Building ...	30,000	4,52,000	3,19,000
Water Supply ...	9,00,000	37,32,000	36,57,000
Development of area between Hlaing River and new Towns.	18,42,000	...	...
Total ...	1,00,00,000	1,93,45,500 93,45,500	1,71,73,000 71,73,000
Civil Works			
North Okkalapa ...	3,50,000	8,30,423	8,30,423
South Okkalapa ...		8,93,954	7,11,654
Thaketa ...		11,08,786	9,62,490
Thingangyun ...	...	...	...
Total ...	3,50,000	28,33,163	25,04,567
		24,83,163	21,54,567 <i>Say, 21,55,000</i>

Therefore, an additional allotment of K 71,73,000 and K 21,55,000, i.e., total allotment of K 1,71,73,000 and K 25,05,000 will be required for the NHB Works and Civil Works for the three Satellite towns of Okkalapa (North), (South) including Thingangyun Extension and Thaketa for the fiscal year 1959-60.

The present allotment K 1,00,00,000 for NHB Works and K 3,50,000 for Civil Works for the three towns. Comparative Statement (consolidated) is shown below :—

	Allotted	Total Revised Requirement	Total Revised Requirement (additional)
	K	K	K
NHB Works ...	1,00,00,000	1,71,73,000	71,73,000
Civil Works ...	3,50,000	25,05,000	21,55,000

Statement showing Disbursement of Loans on (50-50) Basis to the Local Bodies by the Board for the Re-Construction of Roads and Drains

Serial No. (1)	Name of Towns (2)	Actual Expenditure (3)	Date of Disbursement (4)	Recoverable Amount of half the Expenditure (5)	Interest Recoverable (6)	Recoverable Amount and Interest (7)	Amount Recovered (8)	Balance (9)
		K		K	K	K	K	K
1	Henzada ...	68,876'75	15-2-55	34,483'38	4,775'48	39,213'86	27,390'02	11,823'84
2	Insein ...	96,006'57	13-7-55	48,003'00	6,494'00	54,497'00	54,497'00	...
3	Pegu ...	1,23,257'23	8-10-54	61,628'61	7,357'45	68,986'06	47,826'90	21,159'16
4	Letpadan ...	50,000'00	8-10-54	25,000'02	2,236'79	27,236'81	9,000'00	18,236'81
5	Minhla ...	39,522'22	7-10-54	19,761'12	1,832'84	21,593'96	5,000'00	16,593'96
6	Kyangin ...	1,15,610'00	4-10-55	57,805'02	3,456'82	61,261'84	...	61,261'84
7	Toungoo ...	1,14,001'32	2-1-54	57,000'66	6,412'54	63,413'20	40,000'00	23,413'20
8	Myingyan ...	2,24,900'24	5-10-54	1,12,450'12	9,773'62	1,22,223'73	50,821'69	71,402'04
9	Maubin ...	86,453'15	7-10-54	43,226'55	4,160'39	47,386'94	47,376'34	10'60
10	Bassein ...	1,32,907'13	6-10-54	66,453'57	9,945'91	76,399'48	66,453'57	9,945'91
11	Magwe ...	2,00,446'20	7-10-54	1,00,223'10	8,978'31	1,09,201'41	1,09,201'41	...
12	Shwebo ...	1,99,535'00	12-12-53	99,767'52	11,387'87	1,11,155'39	...	1,11,155'39
13	Moulmein ...	1,51,777'92	6-10-54	75,888'96	6,804'58	82,693'54	...	82,693'54
14	Mandalay ...	10,68,246'00	13-2-53	5,34,123'00	1,64,064'79	6,98,187'79	1,70,807'00	5,27,380'79
15	Kyaukpyu ...	1,20,554'38	2-6-54	60,277'17	6,022'59	66,299'76	10,000'00	56,299'76
16	Akyab ...	2,12,094'92	27-6-52	1,06,047'45	16,728'96	1,22,776'41	38,530'57	84,245'84
17	Prome ...	6,51,496'50	18-5-53	3,25,748'25	45,861'99	3,71,610'24	1,70,000'00	2,01,610'24
	Total ...	36,55,685'53	...	18,27,842'76	3,16,294'93	21,44,137'42	8,46,904'50	12,97,232'92

Statement showing Disbursement of Loans on (50-50) Basis to the Local Bodies by the Board for Water Supply

Serial No. (1)	Name of Towns (2)	Name of Works (3)	Sanctioned Estimate Amount (4)	Actual Expenditure (5)	Loan Disbursed (6)	50 per cent of the Loan Recoverable (7)
			K		K	K
1	Myingyan ...	Water Supply ...	2,32,429'00	Not Known ...	2,32,429'00	1,16,214'50
2	Mandalay ...	Partial Water Supply ...	11,67,253'00	Do. ...	6,56,361'60	3,28,180'80
	Total ...		13,99,682'00	...	8,88,790'60	4,44,395'30

Statement showing Full Loans given to Local Bodies for the Development of Water Supply Works and Construction of City Hall

Serial No. (1)	Name of Towns (2)	Name of Works (3)	Sanctioned Estimate Amount (4)	Actual Expenditure (5)	Loan Disbursed (6)	50 per cent of the Loan Recoverable (7)
1	Yamethin ...	Water Supply ...	K 2,86,990'00	...	K 2,86,990'00	Kyats 3 Lakhs already remitted have been transferred to E.E.'s (Mandalay). P.L.A. for the work being suspended.
2	Mandalay ...	Water Supply Work between the moat and Annada Pagoda.	2,81,286'00	...	...
3	Do. ...	Construction of City Hall ...	6,50,000'00	...	...
		Total ...	12,18,276'00	...	2,86,990'00	

Statement showing full Grant-In-Aids given to the Local Bodies

Serial No. (1)	Name of Towns (2)	Name of Works (3)	Sanctioned Estimated Amount (4)	Actual Expenditure (5)
1	Toungoo ...	Sinking of Tube Well ...	K 12,362'00	K 4,522'30
2	Bogalay ...	Do. ...	48,660'00	16,930'50
3	Falam ...	Water Supply ...	4,80,071'00	...
4	Mandalay ...	Recreation Centre ...	50,000'00	49,147'23
5	Akyab ...	Reclamation work ...	50,000'00	...
6	Minbu ...	Repairs Works on Roads and Bridges.	50,000'00	50,000'00
		Total ...	6,91,093'00	1,20,600'03

In the performance of the first task, maps and records of land available in the Survey Department of the National Housing Board were utilized so as not to omit any encroachers and at the same time not to make any erroneous eviction. The second task involved speedy pegging out of house sites according to the lay-out plan to synchronize with the demand for house sites as the movement of population got under way.

This process is still going on and when once completed, the actual survey of these new towns will have to be done systematically to proper scale.

(7) *Rental Revision in Rangoon Town.*—A Special Rental Revision Officer was appointed for a period of 2 years from the 1st November, 1959, to carry out the rental revision in Rangoon Town. The work could not be completed in the allotted time due to many difficulties met with in the course of the work and an extension for a further period of one year was therefore sanctioned to bring it to a final conclusion.

The rentals assessment in Rangoon Town is worked out from the average sale values of land during the past 10 years. During those years, the sale values of land had risen considerably and as a result, it is expected that, after the revision, there will be, on the average, an increase of about 40 per cent in the rates of rent.

REORGANIZATION OF THE BOARD

A thorough study was made on the existing organization of the Board together with the functions and work-volume of the various departments. The study elucidated the fact that there were duplication of work, and that whereas some departments were overstaffed, certain departments were sadly in need of staff.

Arrangements were therefore made to reorganize the Board with an eye to greater efficiency and economy and in line with probable financial commitments which the

Union Government can undertake in respect of the Board's activities and expenditure. Certain departments were abolished and their works amalgamated with departments carrying out works of a similar nature.

The reorganization has resulted in the maintenance of 42 posts in the Selection Grade cadre as against the previous strength of 52; in the Gazetted Grade cadre 118 posts as against the previous strength of 166; in the Subordinate Services 1,872 as against the previous strength of 2,516.

The establishment charges of the Board after reorganization are K 56,91,264.63, against the previous figure of K 70,27,682.56, thus effecting a saving of K 13,36,417.93.

III. Rehabilitation Board, Aung San Myo

(A) ORIGINAL OBJECTIVES OF THE SCHEME

The original objectives of the Rehabilitation Brigade Scheme, as declared in the Parliamentary Session of September 28, 1949 were as follows :

- (1) To promote national peace by maintaining ex-insurgents surrendered under Amnesty Orders.
- (2) To maintain unemployed patriotic young men and entrust them with national duties.
- (3) To teach illiterate young nationals modern education and train them in domestic science and technical and vocational subjects.
- (4) For better understanding of civil duties.
- (5) To form a Rehabilitation Brigade and implement the Rehabilitation Scheme of the country.
- (6) To provide basic training in Civil Defence.
- (7) To contract Brigade members for two years for training, in the first year under Government

contribution and charging them with rehabilitation duties in the second year

These objectives were materialized by formation of the first Battalion on 10th April 1950, under the Rehabilitation Act. New recruits were organized and taught primary education, with an emphasis on civil duties and personal sense of responsibility.

**(B) DEVIATION FROM THE - ORIGINAL
POLICY—SECOND FOUR-YEAR PLAN
(1956—60)**

In 1955, the original policy was reviewed and a revised policy formulated with some alteration in the first five-year plan. New general objectives were laid down, after some additions have been made in the original objectives as follows :

- (a) To operate free from Government contribution.
- (b) To obtain, if unavoidable, a bare minimum amount of contribution from the Government, in view of the financial stringency of the country.
- (c) To revise the training programme.
- (d) To undertake building projects from other Government Departments, Boards and Corporations as the Government Construction Agency.

On test operation of the new scheme, it was found out that to implement it without having any contribution from the Government was impracticable owing to the following reasons :

- (1) Being organized on the basis of social welfare, the present size of the organization was not appropriate for the available market, and the efficiency was markedly below that required of a commercial concern.

- (2) Being formed with a vital objective of discipline maintenance, the organization was found too rigid to adapt itself to suit the commercial situation.

- (3) It still lacked adequate authority, procedures, working capital and other requirements pertinent to a commercial organization.

The provisions in the revised four-year scheme, therefore, were made, as follows :

- (1) The contribution from the Government might be granted for the operation of technical education classes just confining to the requirements of the Brigade. Selected candidates among pass-outs would be further employed for allocation in construction works, whereas the rest might be discharged for participation in other rehabilitation activities.
- (2) The present force of skilled workers might be utilized in construction works, as a test under the commercial scheme.

The new scheme, being accepted by the Union Government, was implemented during those four years and the following benefits were achieved :

- (a) National peace was partly contributed by the maintenance of uneducated youth and surrendered personnel.
- (b) Uneducated patriotic youth were trained in technical and vocational subjects for their future career, with a comparatively small amount of contribution from the Government.
- (c) The Rehabilitation Scheme of the country was assisted.
- (d) Solidarity among the national youth was partly achieved.

(C) REORGANIZATION OF THE SCHEME DURING BOGYOKE'S GOVERNMENT

At the time of formation of Bogyoke's Government, the Board already had eight battalions and various administrative departments with a total number of 4,523 members. So that the Board might achieve the self-supporting scheme an analysis of past performance was made and the following facts were found to need rectification :

- (1) Administrative and supervisory cost of the Board and Brigade was too heavy.
- (2) Calculated on a commercial basis, a heavy loss was found to be incurred due to the fact that all the members of both the Board and Brigade were being entertained as permanent employees.
- (3) The formation on a semi-military basis was not entirely satisfactory ; and the expenditures in transferring working battalions to respective work areas were heavy.
- (4) The operations were to yield not only good quality work, but also be at competitively low cost ; this was not found entirely possible.
- (5) To maintain the organization with the above strength of a permanent nature, the Board must have works to a value of K 3 crores every year ; but in the current financial situation of the Government, to have works to this value was not probable.
- (6) Some works, which normally should not have been accepted for commercial reasons, had to be undertaken in organizational aspects, with the result that heavy losses were incurred.

The defects stated being kept in view, the original objectives and the objectives of the revised four-year plan were again reviewed and the Board was reorganized with effect from May 1959, so that its operations might be prolonged for years with success.

(D) REORGANIZATION MADE

1. After reviewing the functions of the various Departments and branches those with similar activities were merged and executives assumed charge of similar duties.

2. Instead of maintaining permanent salaried workers, local skilled workers were engaged on a work-charged basis, depending on the nature of the work accepted.

3. As it is assumed that the financial situation of the Government would permit only K one crore worth of works for the Board, the size of organization was readjusted to suit that value of work.

(E) ACTIVITIES UNDER NEW ORGANIZATION

During the tenure of Bogyoke Government from November 1, 1959 to January 31, 1960, the Board with the reorganized strength has been able to perform, without difficulty, the works in progress and the new works accepted during 1959-60.

These are:

- (a) Works of Defence Ministry.
- (b) Works of Rangoon Corporation.
- (c) Works of SAMB.
- (d) Works of National Housing and Rehabilitation Board.
- (e) Works of IDC.
- (f) Works of Russian Projects Implementing Board.

The Board has achieved work to the value of K 2 crores, but it has not been able to dispense with the Government contribution as yet.

List of Students Trained by Rehabilitation Brigade (from 1950 to October 1958)

Serial No.	Training	1950		1951		1952		1953		1954		1955		1956		1957		1958	
		Atd.	Psd.	Atd.	Psd.	Atd.	Psd.	Atd.	Psd.	Atd.	Psd.	Atd.	Psd.	Atd.	Psd.	Atd.	Psd.	Atd.	Psd.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
1	Cadet	...	...	...	...	...	...	51	26	56	26	57	16	9	3	11	15	14	9
2	Cadet	...	...	...	...	...	...	...	...	...	...	38	31	10	5	33	9	30	...
3	Carpentry	...	...	...	...	536	325	727	161	923	309	946	281	79	23	234	186	132	55
4	Masonry	...	...	...	...	268	174	326	149	632	268	286	173	50	18	186	99	126	52
5	Machine Shop	...	...	...	...	...	...	47	9	18	14	7	3	13	5	16	11	15	10
6	Fitter	...	...	...	...	105	59	19	6	37	17	20	5	8	2	15	9	13	5
7	Smithy	...	...	...	...	224	138	239	82	43	19	23	23	11	5	9	5	15	12
8	Electrical	...	...	...	...	...	...	16	14	7	6	22	18	15	12	16	11	17	11
9	Joinery Work Shop	...	...	...	...	...	...	13	2	44	21	17	5	...	...	...	...	...	...
10	Welding	...	...	...	...	...	...	...	...	...	...	10	4	9	6	12	8	18	10
11	Foundry	...	...	...	...	...	...	...	...	...	...	...	...	11	...	17	...	16	5
12	Leather (Aungmye)	...	...	...	...	...	...	42	31	78	43	33	26	...	...	...	...	...	...
13	Leather Tanning (GTI).	...	...	39	37	32	31	36	27	38	28	33	25	31	21	16	16	...	...
14	Engineering (University, Rangoon).	...	(From 1957 to 1958, 24 students attended and 3 passed.)																
15	Engineering (GTI, Mandalay).	...	(From 1956 to 1958, 44 students attended and 29 passed.)																
16	Engineering (GTI, Insein).	...																	

Remarks.—For students in Engineering College and Government Technical Institute, Candidates passed out are less owing to termination of stipends in 1958.

List of Students Trained by Rehabilitation Brigade (from 1950 to October 1958)

Serial No.	Year	Recruits	Increase			Decrease	Brigade Strength	Brigade Establishment Strength	Grand total Strength
			Surrendered	ex-Military	Unemployed				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	1950	560	345	50	165	1	559	78	637
2	1951	1,795	1 002	102	691	591	1,793	124	1,917
3	1952	3,189	1,541	95	1,553	1,515	3,467	306	3,773
4	1953	2,653	650	73	1,930	2,034	4,086	450	4,536
5	1954	2,210	450	50	1,710	1,667	4,629	487	5,116
6	1955	1 559	154	32	1,363	2,783	3,595	508	3,903
7	1956	1,521	111	19	1,352	1,647	3,269	451	3,720
8	1957	1 269	63	20	1,186	590	3,948	358	4,306
9	1958	515	...	15	800	614	4,149	374	4,523
Total		15,561	4,356	456	10,749	11,412	29,295	2,136	32,430

Remarks:—Decrease includes Deserters and Discharges for failing to comply with Brigade discipline, deceased and resigned personnel.

Strength of Rehabilitation Board, 1st November 1958

<i>Brigade Strength.</i>			<i>Board Establishment Strength.</i>		
1. Brigade Commander ...	1		1. Administration Staff ...	50	
2. Joint Brigade Commander ...	3		2. Accounts Department ...	64	
3. Asst. Brigade Commander ...	7		3. Board Engineering Dept. ...	42	
4. Battalion Commander ...	14		4. Artisan Training Centre ...	77	
5. Joint Battalion Commander ...	37		5. Stores Department ...	77	
6. Company Commander ...	113		6. Hospital ...	64	
7. Joint Company Commander ...	158				
8. Platoon Commander ...	302		Total ...	374	
9. Asst. Platoon Commander ...	119				
10. Section Commander ...	382		Brigade Strength ...	4,149	
11. Sapper ...	3,013		Board Estab. Strength ...	374	
Total ...	4,149		Total ...	4,523	

Strength of Rehabilitation Board, 1st February 1960

<i>Brigade Strength.</i>			<i>Board Establishment Strength.</i>		
1. Brigade Commander ...	1		1. Administration Staff ...	20	
2. Joint Brigade Commander ...	1		2. Accounts Department ...	30	
3. Asst. Brigade Commander ...	6		3. Board Engineering Dept. ...	28	
4. Battalion Commander ...	9		4. Artisan Training Centre ...	38	
5. Joint Battalion Commander ...	23		5. Stores Department ...	42	
6. Company Commander ...	73		6. Hospital ...	66	
7. Joint Company Commander ...	87				
8. Platoon Commander ...	152		Total ...	224	
9. Asst. Platoon Commander ...	61				
10. Section Commander ...	216		Brigade Strength ...	1,955	
11. Sapper ...	1,326		Board Estab. Strength ...	224	
Total ...	1,955		Total ...	2,179	

(F) FUTURE PROSPECTS

In 1958-59, K 19 lakhs of Government contribution had been obtained and expended. In 1959-60 Government contribution to a value of K 15 lakhs would have to be further granted.

In the final analysis, the reorganization during the Bogyoke regime has lent a helping hand to the Government's primary objectives and has also contributed much towards the long term implementation of the scheme in accordance with the Board's new objectives.

The training programme may be revived for youths lacking proper education to enable them to acquire professional skill through a short cut, but revised in such a

way that the formation of a large pool of Brigade members, as experienced under the two-year contract system of recruiting may be prevented, thus adding in a prolonged nature to the benefits of the country. The recurring expenditures for the training scheme may either be met out of the minimum Government contributions or out of the net income obtained from the operations amounting to the value of kyat one crore per year.

It is hoped that the reorganization programme carried out under the Bogyoke Government may assist in the future in the production of skilled workers, the solving of unemployment problems, and the rehabilitation of the country.

IV. Government Tile and Brick Factory Board

A project for the construction of a modern Brick and Tile plant was formulated at Sorrento Villa under the chairmanship of Bogyoke Aung San in 1947 for the purpose of supplying bricks and tiles for reconstruction of buildings demolished during World War II.

The Tile and Brick Factory Order was issued on July 12, 1947 and the Government Brick and Tile Factory Board was constituted under the Ministry of Industry and Labour. Owing, however, to difficulties of procuring machinery and equipment and specialized construction engineers for putting up Hoffman Kilns, the factory construction was completed and the manufacturing operations started only in 1957.

Even before the permanent Hoffman Kilns were completed an experimental run of the brick-making machinery was made to give the local hands a training in operating modern machinery. Over 20 lakhs of bricks thus produced were fired off in a temporary Bulls Kiln. The bricks found a ready market. The tile manufacture was started in January 1958.

The machine-made bricks turned out by the factory were found to be far superior to the local hand-made bricks, both in strength and uniformity of size, while the texture was more homogeneous and solid. For reasons of low breakage loss in transit and saving in mortar owing to uniformity of size, the bricks were at once very popular in the market and the demand for the same has kept the factory busy.

The roofing tiles manufactured at this plant were not only up to the Indian standard, but the breakage strength is found to be 25 per cent higher than that of good quality Indian tiles. The price is also competitive comparing favourably with

those of asbestos sheets and other cement tiles.

Being a new product, however, the demand for Mangalore tiles was at first not very high. An intensive publicity drive was therefore launched through the Press, by advertisement boards, cinema slides, and by appointment of selling agents on commission basis. A model house was constructed at Okkalapa to demonstrate to the people, the proper method of roof construction for roofing with tiles as well as to show that a neat, cool and attractive looking tile roof need not cost more than the hot and ugly tin roof. As a result, a number of small houses in Okkalapa has Mangalore tile roofs now, and the demand for tiles has steadily increased.

Comparative production, sales, and income statements for the period of Bogyoke Government and the previous 15 months are given in the next page.

According to the above data, there is an increase of 76.60 lakhs brick production, an increase in sale of 95.36 lakhs giving an increase in income of K 9.02 lakhs. In respect of tiles, owing to a temporary production cut-back through heavy inventories, production is down by 8.57 lakhs, but sales are up by 8.91 lakhs giving an increase in income of K 4,10,222.

Though the operation of the factory commenced without any specific provision of working capital, through careful management and by unremitting vigilance in maintaining a high output, the factory has not only been able to meet all current bills, salaries, wages, power, coal, POL, etc., but has also paid back part of the capital debts incurred during factory construction, and a bank balance of over K 2 lakhs has accumulated in the bank, as well as some kyats two and half lakhs of bills receivable for goods supplied to Government bodies.

BRICKS

Period	Production	Sales	Income
			K
Bogyoke Government ...	15,023,915	15,384,537	15,75,425
Previous 15 months ...	7,363,902	6,848,865	6,73,627
Increase/decrease ...	+ 7,660,013	+ 8,535,672	+ 9,01,798

TILES

Period	Production	Sales	Income
			K
Bogyoke Government ...	5,70,707	11,17,416	4,99,603
Previous 15 months ...	14,28,195	2,26,064	89,381
Increase/decrease ...	+ 857,488	+ 891,352	+ 4,10,222

On the suggestion made by the Chairman of the Board, Bogyoke Tin Pe, experiments are under way to make floor tiles at the factory. Initial experiments with improvised moulds in existing presses have given promising results and a special floor tile press have been procured to make 8" x 8" floor tiles. In the meantime an order for one and half lakh floor tiles has been booked.

From the progress now being made, there can be no doubt of a successful future for the plant provided the same degree of care and vigilance is exercised by the management.

V. Special Gift Projects Agreement Implementing Board

As a direct result of the mutual Goodwill Missions made by leaders of both Burmese and Soviet Governments to the Soviet Union and the Union of Burma, respectively, in late 1955, the two Governments, entered into an agreement on January 17,

1957, for the construction of certain projects beneficial to the country.

It was stipulated in the Agreement that for the building materials, equipment and plants supplied by the Soviet Union and for the reviews of Architects, Engineers and Technicians to supervise the construction of the projects, the Burmese Government would give in return a corresponding quantity of rice, in yearly instalments for twenty years after the completion of the projects.

Although it was stipulated in the Agreement that the Soviet Union was to undertake an ambitious programme of construction of altogether seven different projects, the Burmese Government decided to start with only three priority projects, viz., the Technological Institute at Gyogon, the Hotel on Gaba-Aye Pagoda Road and a Hospital at Taunggyi.

The Board was duly constituted by an order of the President of the Union of Burma on May 17, 1957, with the Minister

for Public Works and Housing as Chairman, and the construction work began in October 1958.

The Technological Institute is a sprawling miniature city of buildings on 105 acres of land on the Rangoon-Insein Road. It is an assembly of Lecture Halls and Laboratory Buildings, Hostels to accommodate 800 to 1,000 students, Staff Quarters, Assembly and Dining Halls, a Medical Centre and sports fields. The original plan of the Burmese Government was to utilize the Institute as a centre of learning leading to the B.Sc. (Technology) degree after a four years' course of study at the Institute.

Soon after Bogyoke Ne Win's Government came into power, the Government directed the Ministries concerned to re-orientate the policy relating to the Institute.

A Planning Committee appointed for the purpose eventually submitted a recommendation, after lengthy discussions with University authorities concerned, to merge the Engineering College of Prome Road with the Technological Institute at Gyogon and to rename it as the "Burma Institute of Technology," with a view to catering for both the B.Sc. (Engineering) and B.Sc. (Technology) degrees.

The Inya Hotel, a six-storied de luxe type, is being built on the picturesque lake-side commanding a panoramic view of the Inya Lake. It has 206 air-conditioned rooms and will provide maximum comfort for all guests and tourists. It comprises a magnificent restaurant with a bar, a café, cinema hall, billiard saloons, reading rooms, post and telegraph counters, local and international telephone links and a bank. Swimming pools, tennis courts and volley-ball platforms will be a few of the added attractions in the Hotel grounds.

The hospital is being built at Taunggyi, the seat of the Shan State Government, for

the exclusive use and benefit of the people of the Shan State. It will have 200 beds spread out within three main buildings, *viz.*, 100 beds in the main three-storied building for general cases, 50 in the TB Block and another 50 in the Contagious Disease Block. It has also an Outpatient Department to take care of 100 patients daily. Apart from these main buildings, there are other auxiliary buildings such as Staff Quarters, Nurses' Hostels, Kitchen, Boiler-house and Laundry, etc.

With the signature of the Principal Agreement in January 1957, negotiations for the arrival of the Soviet Engineers and for importing the required building materials and constructional plants were started by the Ministry of Public Works and Housing. Actual implementation was however entrusted to the personnel of the Special Projects Implementing Board, who in addition to the work of their own projects, handled matters well but were badly handicapped for lack of technical staff in maintaining up-to-date accounts relating to the costing of the projects. The contract for construction work and the supply of local materials was awarded to the Rehabilitation Board.

Soon after Bogyoke Ne Win formed his Government, the Minister for Public Works and Housing probed into the activities and progress of this Board and discovered that matters pertaining to the costing of the projects and finalization of accounts with the Rehabilitation Board were not up-to-date and much that was to be desired had been left in omission. Efforts have since been made in both the above matters to remedy the situation.

Work in all the three projects are progressing simultaneously and about 75 per cent of the construction work has been accomplished by December 1959. If the present progress is maintained all the projects are expected to be completed by the target date—the end of 1960.



U Ka, Minister

Ministry of Education

I. New Landmarks in Public Education

The Bogyoke Government has realized that efficiency and improvement in the present educational programme would be possible if these two factors amongst others are attended to resolutely, *viz.*, the teachers should be transformed into devoted hard workers with adequate conditions of service and a strong sense of discipline and loyalty to their profession, and the students should be impressed that education is not merely a right but also a privilege to be earned by good studious efforts and orderly behaviour imbued with youthful ideals of service.

Towards that end, 11,000 teachers have been converted into permanent status and qualification allowances have been granted to teachers who possess recognized professional qualifications from the University. Twenty-three officers of the junior grade have been promoted into senior grade, and the Inspectorate has also been enlarged from 8 to 12 circles, each in charge of experienced senior educators who are given full responsibility for supervision and inspection of the school programme in their areas.

Members of the Inspectorate at all the three levels have been specifically charged not to neglect any school in their tour of duty in a given year, and they have been given additional strength of 250 senior assistant teachers to help in staffing the secondary schools adequately.

Free tuition benefit is restricted within the primary classes only and a nominal fee is re-imposed in all the secondary schools to secure serious application to studies on the part of students who tend to treat free benefits as not of much value.

Inducements are held out to hard-working students of outstanding merit with liberal scholarships and stipends which have been increased both in number and value as follows:—

<i>Nature of awards.</i>	<i>No. and value of awards in 1958-59.</i>	<i>No. and value of awards in 1959-60.</i>
Collegiate Scholarships.	75 awards at K 60 each.	100 awards at K 75 each.
University Stipends	423 awards at K 60 each.	759 awards at K 75 each.
High School Scholarships.	175 awards at K 15 each.	250 awards at K 30 each.
Middle School Scholarships.	1,750 awards at K 10 each.	2,000 awards at K 20 each.

Students of good average ability on the other hand can qualify for remission of tuition fees which can be granted up to 10 per cent of enrolment.

Seven new school buildings including two in the new settlements of Okkalapa and Thaketa, were authorized for instruction in 1958-59 school year while twelve more buildings are contemplated in the current year 1959-60. A sum of K 9,15,000 has been sanctioned for more school furniture.

Selection of new school text-books has been systematized with the constitution of a separate Committee charged with this task, and school readers most commonly used in primary classes have been made available as low as from 50 to 70 pyas a copy for the benefit of poor children by special arrangement with the Burma Translation Society.

The combined High School Final and Matriculation examination marks the end of the secondary school period and this is being changed from 1961 when the Matriculation examination will follow a year after the High School Final, thereby requiring one more year's study for prospective University entrants who will thus have had a better background for college work.

This step has been recommended by the Education Enquiry Committee which has just concluded its labours. A Secondary Education Board has been set up to take responsibility for this High School Final examination in particular and for the administration of secondary education policy in general.

With promise of better trained students, the Universities in Rangoon and Mandalay would require a better organized administrative set-up to keep in close contact with students' life and progress, and this has been provided for with appropriate amendments in the existing University Acts.

To carry the point home, an Enquiry Committee was again asked to investigate the affairs of the Mandalay University which has embarked on a life of its own, independent of the older Rangoon University.

Rangoon University had committed itself a few years ago to a programme of translation of essential text-books aiming at replacement of English with Burmese as medium of instruction in a phased schedule. The position has now been reviewed and it has been decided to adopt a bi-lingual medium using both English and Burmese from next academic year for some further time.

The Institute of Technology now being built with supervision of Soviet experts at Gyogon, will be incorporated with Rangoon University to be named separately as Burma Institute of Technology (BIT) and it is scheduled to be opened in 1961 with new courses in technology added to the present facilities, calculated to meet the industrial needs of the country.

An educational exchange programme operates with a number of foreign countries and some 74 teachers and students have been deputed abroad for further studies or training during the period while 18 scholarships have been offered to foreign students to study in Rangoon University here. Burmese State Scholars in the United Kingdom have their allowances raised from £ 400 to £ 425 per annum to meet the increased costs.

The vigorous expansion drive in the opening of new schools since Independence has been slowed down for evaluation and consolidation work, and yet some 400 new primary schools and 10 middle schools were opened during the period to meet the pressing needs of particular areas.



Agricultural education (practical) in high schools

II. Directorate of Education

It will be appropriate to orient the reader with the general framework within which the Education Department operated during the period under review.

An attempt will therefore be made now to state the main targets in the First Four-Year Education Plan 1952--55 and in the Second Four-Year Education Plan 1956--60.

(A) THE FIRST FOUR-YEAR EDUCATION PLAN 1952--55.

(1) To ensure that all citizens of the Union of Burma shall have a basic education of the three R's.

(2) To train technicians and technologists urgently required for rehabilitation.

(3) To train and equip young men and women so that they can adequately and

efficiently perform their various duties as citizens of the Union.

(4) To eradicate illiteracy and produce more men and women imbued with the Five Strengths (Bala Ngadan).

(5) To perpetuate democracy within the Union.

(B) THE SECOND FOUR-YEAR EDUCATION PLAN 1956--60.

(1) To secure adequate number of fully qualified teachers.

(2) To improve the school curriculum on modern lines for the benefit of the children and in line with the National Economy of the State.

(3) To secure good school text-books and to distribute them effectively to all State schools.

(4) To give an all-out aid for the improvement of discipline among pupils and teachers.

(5) To provide sufficient accommodation, school furniture and teaching apparatus for increased number of school children.

(6) To open new schools on a more equitable basis.

(7) To provide diversified curriculum to divert some pupils from the single-track University Education to technical, agricultural and vocational courses of studies.

The period under report coincides with the last quarter of the third year and the first three quarters of the fourth year of the Second Four-Year Plan. In the first Four-Year Plan emphasis was on the educational expansion but in the Second Four-Year Plan an effort was made to launch a Quality Drive and quantitative expansion though not completely suspended was slowed down.

A brief statement of the educational projects initiated and measures taken within the framework of the Second Four-Year seven point programme mentioned above, paying special attention to the maintenance of discipline and promotion of educational standards in State schools is given below.

(C) PROVISION OF QUALIFIED TEACHERS

To enable teachers to maintain high professional standards and to assist them to improve in their professional qualification the following measures have been taken.

Stipends to the value of Kyats 60 tenable for a year were awarded to 940 unqualified primary assistant teachers in-service and 360 outsiders, totalling 1,300 during the academic year 1959-60 to enable them to attend a year's training course at one of the six training centres.

Competent Primary School Headmasters mostly from rural areas, 15 Headmasters of Junior and 10 Headmasters of Senior Secondary Schools who were certified as medically fit to carry on with their work,

although they were of retiring ages were retained in service till they attained the age of 60.

Since the beginning of the academic year 1959-60, 667 posts of special physical instructors and 352 posts of special art teachers have been converted into ordinary primary assistant teachers' posts. The organization of special in-service training to cater for as many such specialized teachers as possible without disruption of the work of their schools has been taken up by the Director, Teacher Training in all State Training Colleges and Institutes under his control.

These special training courses conducted jointly by the staff of the Training Institutes and the local Education Officers help to prepare the specialist teachers to qualify for the teaching of the other subjects of the primary school curriculum.

These classes are held once a week on week-end holidays to suit the convenience of specialist teachers from neighbouring schools. On successful completion of the course at the end of February each such teacher will be given a certificate of having fully attended the course, and he will then be eligible to teach other subjects as well. The progress of those attending the special classes conducted in the State Training College for Teachers, Kanbe, Rangoon, is encouraging.

A total of 1,896 newly trained Primary Assistant Teachers and 468 Junior Assistant Teachers who completed their courses in March last have been absorbed into State Schools. Thirty unqualified graduate teachers attending the B.Ed. Second Year class, 20 attending the Diploma class and 30 attending the first year B.Ed. class during the academic year 1959-60 have been given deputation terms. In addition, study leave was granted to 16 unqualified teachers to attend the B.Ed. course with collegiate stipends.

Teachers in State Schools now receive Qualification Allowance at the following rates with effect from the 1st June 1959 :

	K
(a) Teachers possessing a University Degree ...	40
(b) Teachers possessing a University degree and any professional qualification other than the B.Ed. prescribed for a Senior Assistant Teacher ...	40
(c) Teachers possessing a University Degree and B.Ed.	50
(d) Teachers possessing B.A. or B.Sc. (at least Second Class Honours) ...	75
(e) Teachers possessing M.A., M.Sc., Ph.D. or other equivalent academic qualification ...	100

The posts of 51 Junior Grade Headmasters of State High Schools have also been converted into posts in the Senior Grade (Burma Educational Service).

To give permanence of tenure 11,000 temporary posts in the Education Department, comprising 40 High School Headmasters, 160 Middle School Headmasters, 3,000 Primary School Headmasters, 120 Senior Assistant Teachers, 14,000 Junior Assistant Teachers, 6,040 Primary Assistant Teachers, 40 School Clerks and 200 School Peons have been made permanent.

The opportunity afforded by the presence of a large number of teachers from the districts in Rangoon at the annual conference organized by the All Burma Teachers' Union in May last was seized to urge them to seize the favourable environmental conditions to enforce effective discipline in schools.

One Inspector of Schools, two District Education Officers, two Headmasters and a Senior Assistant Teacher took advantage of the Fulbright grants to go to the U.S.A.

on study tours. Under the Colombo Plan a Headmaster and two Senior Assistant Teachers went on a similar tour to Australia, whilst a Headmaster and a Senior Assistant Teacher went to the United Kingdom during the period under review.

(D) PERIODICAL EXAMINATION AND REVISION OF CURRICULUM

A Central Curriculum Advisory Board was constituted to examine the curriculum in the light of experience, to make it up-to-date and to be in line with the needs of the country.

Local Curriculum Sub-Committees comprising teachers and Education Officers on the district basis as well as township basis, have also been constituted on the advice of the Central Committee with a view to make slight adjustments in the curriculum and syllabi to suit the local conditions.

Bulletins on the teaching of subjects principally the contributions of the Education Officers and teachers, outlines for the annual school calendar, and samples of schedules for daily programme and monthly plans of work, were prepared and sent to State Schools for guidance.

To raise the level of efficiency of State Schools in Rangoon and to secure better results in the next Matriculation examination, Boards of Studies were formed for the main subjects in each school to discuss individual school problems in the teaching of those subjects with a view to finding suitable solutions for them.

Close co-operation of the lecturing staff of the Teachers' Training College and the Education Officers was received in organizing wider discussion groups in which a representative from each school participated.

(E) PROVISION OF TEXT-BOOKS AT REDUCED PRICES

As recommended by the Education Enquiry Committee, the School Text-Book Committee, which had remained practically defunct in the post-war was reconstituted in April 1959 and revised rules and procedure for the selection and approval of books as text-books have been introduced. State Schools continued to sell text-books at cost price to those who could afford and to loan them out free to those who could not under the old arrangement.

The Ministry of Education has been able to arrange with the Burma Translation Society for the sale of Burmese Primers at 50 pyas instead of 1 kyat and Burmese Reader I at 70 pyas instead of K 1.25 pyas, the distribution being made through the District Education Officers and the Heads of State Primary Schools.

(F) MAINTENANCE OF SCHOOL DISCIPLINE

To facilitate tightening up of discipline in schools, tuition, athletic and stationery fees were reintroduced from 1st April 1959 in Post Primary classes.

This is not intended to be a permanent measure and the reintroduction of the free system will be taken up later in progressive stages depending on the availability of qualified teachers, suitable accommodation and equipment. Lack of these had been one of the main contributory causes of deterioration in school discipline.

The tendency to withdraw or to seek admission in State Schools at odd times of the school year is thus checked and with the adoption of the 2F system, that is refusal of readmission into classes of pupils who had failed twice in public examinations and allowing them to take those examinations as external candidates had a good effect on school discipline.

But to ensure that no intellectually good pupil is deprived of secondary education on account of indigent circumstances, an increase both in the number and value of scholarships and stipends has been sanctioned. Free places up to 10 per cent of the total enrolment have also been provided and children of State School teachers with low pay received priority provided their progress has been satisfactory.

To supplement measures for improvement of school discipline such as the adequate provision of suitable accommodation and equipment and also to supplement the evaluation of educational standards by an annual promotion examination system, Progress Cards and Cumulative Record Cards of pupils with the Teachers Manuals on their use, designed to suit the conditions here have been introduced into State Schools from the beginning of the academic year 1959-60.

The enforcement of school rules both for the pupils and the staff has been tightened up and a new form of Acquaintance Certificate has been introduced as further measure to improve school discipline.

(G) PROVISION OF BUILDING, EQUIPMENT AND FURNITURE

Two new high school buildings with accommodation for 800 pupils, one in Kyaunggone in Bassein District and another in Pyu, Toungoo District, were completed during the period. Two more new high school buildings to accommodate 500 students, one in Okkapala (South) and one in Thaketa, a new building with accommodation for 300 pupils for the Middle School in Okkalapa (North) were also completed in June and July.

New school buildings for Primary Schools in the above resettlement areas were also constructed with the donations received from charitable persons, firms and other bodies.



Students in teacher training classes learn various arts and sciences at the STCT, Kanbe

Three building sites intended for the erection of new school buildings or expansion of existing ones in the Compulsory Primary Education area, one in U Soe Maung's Quarter, Thingangyun in Insein district, and two in Syraim have also been acquired.

The Housing Board is continuing to build more new school buildings as far as funds permit.

The expenditure on equipments for these three new secondary schools in Okkalapa and Thaketa in 1958-59 was K 7,880, K 15,820 and K 25,100 respectively.

The total amount spent on school equipment during the financial year 1958-59, distributed through the District Education Officers, was K 11,57,500 and expenditure on repairs, alterations and improvements to buildings given rent free for use as schools including temporary buildings specially constructed for the financial year 1958-59 was K 22,744.

(H) OPENING OF NEW SCHOOLS

Since June 1959 the Education Officers, in consultation with the Divisional Security Councils, have taken up the opening of new 400 Primary Schools and 10 Middle Schools in Burma Proper, 40 new Primary Schools and 5 Middle Schools in the Chin Special Division and the work of organizing is nearing completion.

Besides these a new Middle School for Okkalapa (North), a new High School for Okkalapa (South) and a new High School for Thaketa, the new suburban resettlement areas for the refugee squatters from Rangoon were also opened at the beginning of the current school year.

With effect from 1st October 1959, the administration and the control of 203 Primary Schools in the city of Rangoon was taken over by the Department of Education by mutual arrangement with the Corporation of Rangoon,

The following Tables give comparative figures in the number of schools, teaching staff and pupils within the period under review.

(I) VOCATIONAL EDUCATION

To provide diversified courses for those who have aptitudes for technical and vocational education, the teaching of vocational subjects is given in increasing number of ordinary schools as far as conditions permit. Technical subjects are now taught in 52 State High Schools, Agriculture and Animal Husbandry in 37 High Schools, 12 Middle Schools and 197 Primary Schools.

Schools

		Primary.	Middle.	High.
1958 September	...	10,861	500	267
1959 September	...	11,220	518	273

Teachers

	Primary	Middle	High
1958 September	10,754 (22,600)	435 (4,854)	269 (1,874)
1959 September	11,188 (23,671)	491 (5,060)	273 (1,761)

(The figures before the brackets are headmasters and those within are assistants.)

Pupils

	Primary Schools	Middle Schools	High Schools
1958 September	1,460,934	205,824	56,603
1959 September	1,477,006	170,177	47,431

Teaching Staff

	Technical Biased H.S.	Agricultural Biased H.S.	Agricultural Biased M.S.
1958 September	46	26	23
1959 September	52	37	30

	Tech. bias. H. Sch.	Agr. bias. H. Sch.	Agr. bias. M. Sch.	Agr. bias. P. Sch.	Comml.
1958 September	48	32	13	197	2
1959 September	52	37	12	197	2

Two State High Schools, one in Rangoon and one in Mandalay are teaching commercial subjects. The tables on the previous page give comparative figures during the period.

Table above shows the number of Industrial and Vocational biased schools.

During the financial year 1958-59 a sum of K 24,230 was spent on contingent charges in connection with the teaching of technical subjects in ordinary secondary schools. K 24,170 in agriculture and animal husbandry, K 1,600 in commercial subjects. A sum of K 20,150 was also spent on gardening implements and other necessities in teaching practical agriculture in 197 Primary Schools.

(J) PROVISION OF AGRICULTURAL SCHOOLS

For pupils who have the aptitude for agriculture and who are likely to benefit by an early training in the Vocation, 2 State Agricultural Middle Schools, 2 High Schools and 1 Agriculture Institute are provided for progressive study.

On completion of the Primary School education a pupil desiring to study agriculture as a subject can join a State Agricultural Middle School, one in Thegon (Prome District) and the other in Shwebo, where agriculture is taught (theory and practical) as the main subject for 3 years along with other subjects of an ordinary Middle School curriculum.

Those desiring to study further can either join the State Agriculture High School in Myaungmya or a similar one in Myittha (Kyaukse District). The duration of the High School course is two years and there is an agricultural High School Examination

at the end of the course; 59 passed in the last examination held in March 1959. Government stipends are available for sufficient number of pupils. Further studies in agriculture are provided in the State Agriculture Institute, Pyinmana.

Efforts are being made to secure direct admission of those who successfully complete the diploma course in Pyinmana into the Agriculture College, University of Mandalay, to qualify for the B.Sc. degree in Agriculture without having to pass the Intermediate Science examination of the University.

For the Academic Year 1959-60, 20 Junior Assistant Teachers from State Schools have been selected and sent on deputation terms for further training at the Agriculture Institute in Pyinmana to be eligible for the posts of special teachers in agriculture in ordinary schools.

About 9,930.39 U.S. dollar worth of mechanical farming and tillage equipment from America purchased with the funds of the Ford Foundation were received and distributed to Agricultural Schools. In addition, 24,269.22 dollar worth of local made farming implements and equipment secured with the same assistance have also been distributed. Further funds made available have also been utilized in such works as the construction of hog-houses, poultry houses, wells, levelling of lands, etc., for practical work in agriculture and animal husbandry.

Thus, as far as equipment, instructional aids, apparatus and books for teaching of agriculture are concerned, a fairly adequate provision has been made for effective teaching in each school,

It is satisfactory to note that pupils are taking more interest in agriculture and the number of candidates taking the subject in the High School Final and Matriculation Examination has been increasing yearly and in the last examination over 1,000 offered the subject as one of their optionals.

(K) STATE SCHOOLS IMPROVEMENT

Apart from what has been reported in the previous pages concerning various educational projects within the framework of the Second Four-Year Education Plan, there were also other measures taken to improve the efficiency of State Schools and more effective maintenance of school discipline in them.

Rather ineffective administration and supervision of schools by District Education Officers during the past few years due to unmanageable number of schools, with obvious deterioration of efficiency in many of the State Schools, had necessitated some readjustments in the distribution of work of Educational Officers.

Steps were therefore taken for restoring the old administrative powers of the Divisional Inspector of Schools and to give them direct responsibility for the control of education in their divisions, beginning from the school year 1959-60. The number of educational divisions was also increased from 8 to 12 (in Burma Proper) at the same time to reduce the charge of each Divisional Inspector so that with the reduced number of schools closer attention could be given and more thorough inspection of Secondary Schools could be made.

The increase in the number of Divisional Inspectors without increasing the cost necessitates some adjustment also in the administrative set-up of the Directorate of Education. One post of Administrative Assistant for Schools replaced three separate posts of Administrative Officers for High, Middle and Primary Schools to make 2 of the posts available for Divisional Inspectors.

The posts of Inspector for Karen Schools and of the Curriculum Development Officer were also converted into Divisional Inspectors posts. The duties of the Curriculum Development Officer have now been assigned to the Education Research Officer.

For improvement in the examination results from State Schools the Convenors of the main subjects in the High School Final and Matriculation Examination were invited to meet the teachers of State High Schools in Rangoon to draw their attention to common defects in the answers and to give them helpful advice for their eradication. The recommendations and suggestions made by the Convenors of various subjects have also been made available to all other State Schools.

Mention may be made here of the visit of Mr. J. P. Naik, a consultant for Compulsory Primary Education, of the United Nations Educational, Scientific and Cultural Organization, during the period under review. He made a thorough on-the-spot study of the existing provision for Primary education and our problems and submitted a comprehensive report to the UNESCO Secretariat. He left some valuable suggestions on primary education advocating the complete introduction in progressive stages of compulsory primary education in the whole of the Union by 1970.

It is comforting to learn from him that primary education in Burma compares very favourably with that in many other Asian countries. To him the traditional Monastic Education System in Burma is of special advantage to the country and that it will be of immense help in the initial stage in the full provision of Compulsory Primary Education in the Union.

(L) TEACHING OF RELIGION

Another noteworthy step taken was the holding of a public examination for Buddhist religious lessons in co-operation with the

Buddhist Council, the Directorate of Religious Affairs and the All Burma Teachers' Association. This is to ensure effective teaching of religious instruction in State Schools.

To stimulate interest in the instruction, each locality will arrange a public function for the award of certificates to successful pupils and prizes to the first three in each class.

Arrangements have also been made for inter-township, inter-district competitions and award of prizes and scholarships. The examinations, held on the 11th January 1960 throughout Burma Proper received good public support.

Officers of the Department participated and co-operated with other departments in promoting social education.

They also attended the Basic Training Courses sponsored and organized by the Social Service Council. Senior Officers have also been attending the Seminars and courses in administration at Chawdwingone Camp.

With a view to promote Adult and Social Education, Education Officers in the districts in co-operation with the local administrative and Military Officers gave talks on Government's education policy and Education Department's programmes and the importance of co-operative efforts in educating the rising generation and also participated in the seminars in rural uplift works arranged for the leaders in rural areas.

(M) OTHER ASPECTS

The Registration of Private Schools has been accelerated during the period under review and as a result of an appeal made on the 20th April 1959, by the Hon'ble Minister for Education, the Heads of many Private Schools have reduced their rates of tuition fees slightly from the beginning of the academic year 1959-60.

There has been increasing demand for the use of Audio-Visual aids in teaching

and a large number of schools are taking advantage of the Educational Broadcasts. The Audio-Visual Education Section has also been arranging for more film-shows in schools.

With the co-operation of the Army Psychological Warfare Section, the Audio-Visual Section of the Department was able to arrange special school lesson broadcasts also in addition to the regular programme for schools.

The Education Enquiry Committee appointed in 1957 to examine the existing education policy and programme and to make recommendations for necessary adjustments so as to meet the needs of the country and be also in accord with the wishes of the people continued to function under the chairmanship of the Hon'ble Minister for Education and submitted another interim report in February 1959.

Of the recommendations of the Committee which have been accepted by Government and put into effect, such as the restoration of fee system in the post primary stage, award of qualification allowances to teachers, the reconstruction of the Text-Book Committee, and the 2F System have already been mentioned.

Besides these, it has been decided to have separate High School Final examination and the Matriculation examination, beginning from 1961 and to allow only those who have passed the High School Final examination not less than a year previously to take the Matriculation examination.

In deference to the wishes of the people expressed through their Parliamentary representatives in the last Parliamentary Session held in September 1959, Government has decided to defer the application of the 2F system for two years and to approve the readmission of pupils of this category into State Schools from the 1st October 1959.

III. Directorate of Teacher Training

During the academic year 1958-59, the Directorate of Teacher Training has concentrated its efforts on raising the quality of training in methods and management in its teacher training centres while at the same time recruiting a large number of students to meet the needs of staffing the schools.

The one-year training courses in six centres during the academic year 1958-59 consist of 1,965 Primary Assistant Teachers including 2-month emergency trained teachers and 477 Junior Assistant Teachers, altogether amounting to 2,442.

Out of the total number of students, 2,364 passed the Theoretical and Practical Examinations held in March 1959.

Compared to previous years, the enrolment as well as the outturn of teachers, has increased by 8 per cent.

Since 1958 some achievements have been made by the Department of Teacher Training under new programmes, both in the training of teachers and in the extra-curricula activities.

A conference of all Principals and Lecturers from State Training Colleges and Institutes was held at Rangoon (Kanbe) from December 29, 1958 to January 2, 1959, to make future plans for Teacher Training and to revise and draw up courses of studies. With the assistance of Lecturers and Education Officers, the Directorate of Teacher Training has published syllabuses for all subjects taught in Primary and Junior Assistant Teachership courses.

An outstanding feature of the work is the training of Practical Teaching of all students. In an attempt to improve the quality of trainees, both the Primary Assistant Teachers and the Junior Assistant Teachers of Teacher Training Colleges and Institutes were sent out to undergo Practical Training in various schools in the locality of each respective training

centre supervised by the Principals and the Lecturers during the months of December 1958 and January 1959.

The Practical Examination was conducted within the month of February with the help of Officers from the Education Department as External Examiners. The Final Theoretical Examination for the academic year 1958-59 students was held from 16th to 30th March 1959 at all training centres.

The new session for the academic year 1959-60 commenced on 1st June 1959. Total number of trainees including 404 Junior Assistant Teachers is 1,900.

Among the six training centres, the Colleges at (Kanbe) Rangoon and Mandalay train Junior Assistant Teachers and Primary Assistant Teachers. Courses for specialists in English, Science, Industrial Arts, and Agriculture are conducted at the State Training College for Teachers, Kanbe while only special courses for English Teachers are conducted at Mandalay. The Institutes at Moulmein, Bassein, Kyaukpyu and Meiktila train only Primary Assistant Teachers. All the Training Colleges and Institutes are residential and co-educational.

1,900 Primary and Junior Assistant Teachers are awarded a stipend of K 60 each per month by the Government of the Union of Burma, during training period. Besides the stipendiary students from Burma Proper, teachers from Shan, Kayah, Karen and Kachin States are also trained with their own stipends from the respective States. Twenty Junior Assistant Teachers are deputed by the Director of Education, Burma, from amongst the in-service teachers. The following are the trainees from the various States:—

<i>Kachin. Shan. Kayah. Karen. Chin.</i>						
P.A.T.	...	40	...	10	47	40
J.A.T.	...	7	20	2	10	10

For the first time, to assist the Registered Private Schools which are in need of

qualified teachers, the Ministry of Education has this year approved admission of 15 Junior Assistant Teachers and 20 Primary Assistant Teachers at the State Training College for Teachers at Mandalay and 15 Junior Assistant Teachers and 15 Primary Assistant Teachers at Rangoon State Teachers Training College. Monthly tuition fee of Kyats 20 for 10 months is charged during the period of training.

The selection of Registered Private School teachers is based on the needs of the schools rather than on individual desire to attend the Training Colleges. Each applicant has to be sponsored by school authorities who guarantee the employment of the candidate after training.

With the conversion of Special Art and Special Physical Education Teachers into Subject Teachers in State Schools, the Department of Teacher Training has initiated a scheme for re-training the Special Primary teachers in order that they may be able to teach all subjects.

According to the first programme, the teachers who are within the locality of the Training centres are called upon to attend the classes once a week on Sundays. The scheme has been successful, and the Directorate has arranged to issue certificates to those special teachers who are attending the classes regularly up till the completion of the course in February 1960 and pass a written test at the end of the course.

Apart from academic courses, seminars, discussions and demonstration classes are held weekly for the regular trainees.

A tradition has been established in all training centres to emphasize student responsibility and participation in all activities. Students maintain their own Co-operative stores, manage catering in the hostels and organize their own activities in various fields under the guidance of the staff. They work in groups from early morning till late at night at studies or in extra-curricula activities.

During the year emphasis has also been given to Boy Scout and Girl Guide activities. With the assistance of Local District Scout Organizers a practical and interesting scheme of work has been carried out where both the students and teachers co-operate in making the movements a success.

Thus a large number of young men and women who are trained in modern techniques of education and who are trained in shouldering responsibilities are being turned out yearly to staff the schools of the Union of Burma.

Since it is also desirable to improve the quality of lecturers, six members of the staff have been sent to United States, Canada, India, Australia and Germany for study and observation, while two are on the waiting list to proceed to United States.

IV. The University of Rangoon

Dr. Hla Myint, Ph.D., was appointed Rector of the University on 12th January 1959.

The University of Rangoon Act was amended by Parliament, and the amendments came into force with effect from 12th March 1959. The amendment provided for the creation of Deans of Students in the place of Deans of Faculties. The Senate, which was enlarged to include the Deans of Students, the University Librarian, and the Chief Editor of the University Dictionary and Translation Department, now sends eight professors to sit on the University Council. Students will now elect two representatives who are graduates of at least ten years' standing to the Council, in place of Students' Union representatives. The provision barring the establishment of affiliated colleges within fifteen miles of Rangoon has been repealed.

Dr. Htin Aung resigned from the Vice-Chancellorship of the University at the

end of March 1959, and *Maha Thray Sithu* U San Lwin, Auditor-General, has been elected Vice-Chancellor.

Fees are being collected from University students this year.

The last supplementary University Examinations were held in June. There will be no more supplementary examination from now onwards.

Part (A) students who fail in their examination are now required to repeat their courses in the Part (A) classes instead of being allowed to attend Part (B) courses as previously.

A General Honours course has been introduced. Students now taking Honours will be able to take their Honours degrees in two years, instead of spending one more year as previously. The effect is to enable more students to take higher level courses than was possible before.

A general tightening up of discipline has taken place. Students who fail to pass

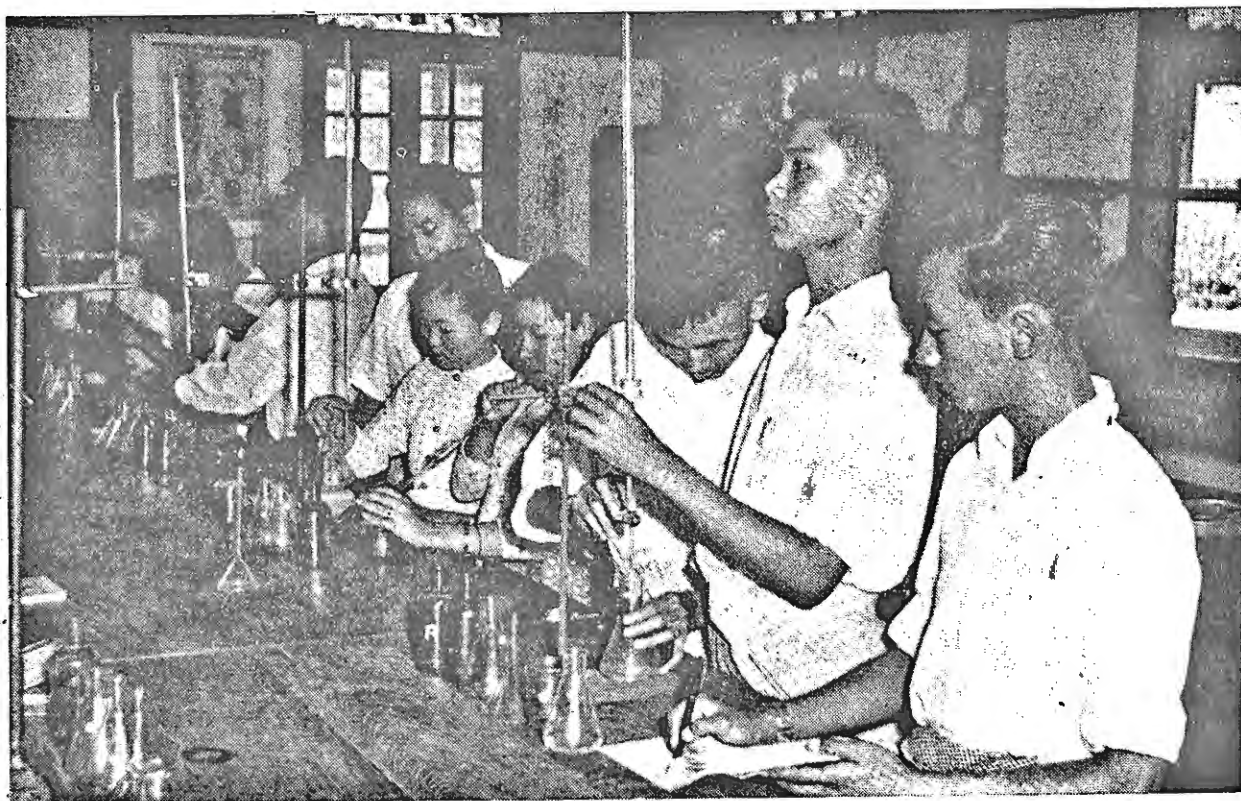
an examination after two years' study in a class will not be allowed to repeat their courses, but will be allowed to sit for the examination again. Students who fail to get 65 per cent of the attendance requirements will be removed from the University after due warning.

Qualification Allowances are now given to those University Tutors and Demonstrators who have post-graduate degrees.

The Moulmein Intermediate College moved into the new permanent buildings at Moulmein at the beginning of this academic session.

The first batch of the cadet-graduates of the Defence Services Academy, Maymyo, affiliated to the University, will be taking their degrees this year.

The raising of the standard of performance-requirements in the Matriculation Examination, requiring candidates to obtain not less than forty per cent in each of the three compulsory subjects of English,



Science practical training at the University of Rangoon

Burmese and Mathematics, has resulted in fewer admissions, but better quality amongst first year students.

Plans are being made for the establishment of a new Intermediate College at 7th Mile, Promé Road.

The University of Rangoon accepted the gift of a Printing Press from the Asia Foundation. The Press, including equipment, is worth about five hundred thousand kyats. The Press is now installed in the Social Sciences building, and is functioning well.

Enrolment Figures

		Inter. Arts (A).	Inter. Science (A).	Inter. Arts (B).	Inter. Science (B).
1958-59	...	1,566	1,510	1,018	1,606
1959-60	...	1,142	1,083	861	1,155
		B.A. (A).	B.Sc. (A).	B.A. (B).	B.Sc. (B).
1958-59	...	928	622	645	415
1959-60	...	634	504	469	246
		B.A.Ed. (A).	B.A.Ed. (B).	D.T.	B.Ed.
1958-59	...	100	101	43	48
1959-60	...	201	113	85	53
		Engineer- ing.	Medicine.	Forestry.	Law.
1958-59	...	971	1,184	50	404
1959-60	...	867	1,260	67	486

V. The University of Mandalay

The introduction of changes in the educational system and the combined efforts of the Professors, the Lecturers and the students to make the new system a success have far-reaching effects. Under the new educational system tuition fee and laboratory fee are collected from the students and their attendance in classes and tutorials or practicals is recorded.

More attention has been paid to check up whether the students take real interest in their studies by making 75 per cent attendance in practical classes compulsory. There will be no supplementary examination with effect from the academic year 1959-60. With a view to raising the

standard of admission, the University Senate and Council have regulated as follows:—

“A University student who has remained in the same class for two academic years in any University without passing the examination concerned will be automatically excluded from the privileges of being an internal student of the University of Mandalay.”

The following outstanding results are being experienced by the changes introduced:—

- (a) Students behave well in theory and practical classes and in hostels ;
- (b) They pay more attention to their studies and the percentage of attendance in classes has become high, and submission of term papers and assignments punctual.
- (c) Students' interest in party politics has dwindled to a large extent and instead their attention is now turned to sports, debating and other extra curricular activities other than politics.
- (d) The atmosphere of the University becomes scholastic.

Courses for the degrees of M.A/M.Sc. are now provided in almost all the subjects taught in the University. Learned scholars are invited to give lectures in the University for students of post-graduate classes. There has been some change in teaching of History and Mathematics. Students are required to submit two term papers in History in one academic and fortnightly assignments in Mathematics. Students are taught not only to write but also to speak current English correctly. Instruction and practice in speaking are therefore given and Bachelor students are required to take *viva voce* examination at the end of the year.

The first Convocation of the University was successfully held on 12th January 1960.

University of Mandalay

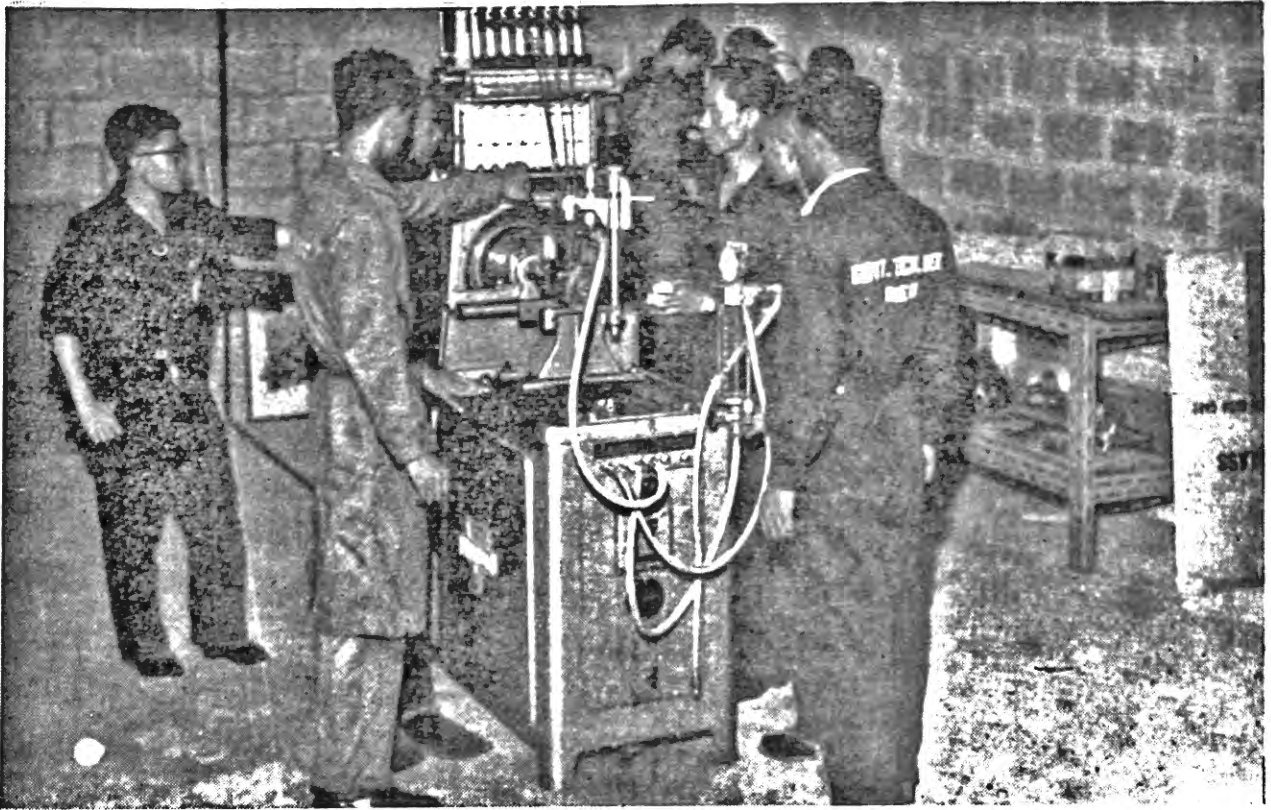
No. (1)	Name of Work (2)	Estimate Amount (3)	New Construction or Extension (4)	Date of Com- mencement (5)	Date of Comple- tion (6)
1	Construction of Temporary Women's Hostel.	K 57,096'34	New Construc- tion.	2nd September 1958.	1st January 1959.
2	Extension to Laboratory Block at Agriculture.	83,602'47	Extension ...	Do.	3rd February 1959.
3	Construction of 3 Staff Qr. No. 28, 29, and 30.	1,23,494'16	New Construc- tion.	5th April 1959	...
4	Construction of 2 Unit Staff Qr. (2 Nos.).	1,13,933'62	Do.	20th April 1959	...
5	Extension to Geography and Geology Block.	1,38,187'89	Extension ...	10th April 1959	...
6	Extension to Lecture Hall and Class Rooms.	2,97,978'18	Do. ...	8th September 1959.	...
7	Construction of Women's Hostel No. 2.	7,80,125'98	New Construc- tion.	11th April 1959	...
8	Construction of Post Office	40,970'08	Do.	24th April 1959	...
9	Construction of Dining Hall Parlour, Kitchen for Women's Hostel.	8,13,022'74	Do.	...	...
10	Construction of 2 Unit Staff Qr. (2 Nos.).	1,11,743'80	Do.	...	...

Magwe College

No. (1)	Name of Work (2)	Estimate Amount (3)	New Construction or Extension (4)	Date of Com- mencement. (5)	Date of Comple- tion (6)
1	Construction of Junior Staff Qr. and Lavatory Block (4 Nos.).	K 1,14,757'76	New Construc- tion.	21st March 1959.	
2	Construction of Hostel for 200 students No. 1.	3,88,279'21	Do.	12th June 1959	
3	Construction of Hostel for 200 students No. 2.	3,88,279'21	Do.	20th May 1959	

Medical College, Mandalay

No. (1)	Name of Work (2)	Estimate Amount (3)	New Construction or Extension (4)	Date of Com- mencement (5)	Date of Comple- tion (6)
1	Construction of 4 Unit Staff Quarters.	K 1,03,398'12	New Construc- tion.	...	...



Students at the Government Technical Institute, Insein, watch an Instructor demonstrate the injection pump at the Diesel workshop

VI. Directorate of Technical Education

Unlike ordinary academic schools, students and trainees of the institutes, artisan training centres and the high school under this Directorate are given practical instruction in technical subjects.

To make such instruction possible, mechanical equipments have been procured each year under allocations made from "94. Education, Capital Outlay" as well as from the current budget allocated yearly, and by donations received from the Ford Foundation and the British, Canadian and Australian Governments under the Colombo Plan.

The Government Technical Institute, Insein, and the Rangoon Technical High School have received, and are still receiving, considerable equipment and the Government Technical Institute, Mandalay, and the Artisan Training Centre, Rangoon, will

receive some equipment from the Australian and British Governments in the very near future. The total cost of the equipment installed to date is fairly high and in order to account for it properly a perpetual inventory system has been introduced in all the educational institutions under this Directorate.

By so doing it is easier to maintain a very thorough accounting on the equipment and stores in each unit.

The First 'Technical Teachers' Conference, which was successfully held in Rangoon during the last week of May 1959, was attended by the Demonstrators, Instructors, Lecturers, and Principals of all educational institutions under this Directorate. All who attended the Conference were formed into sub-committees to discuss and exchange opinions on ways and means for improving instruction, administration, student

discipline, and classroom, laboratory and shop management. In addition, the sub-committees revised and prepared syllabi, classroom and shop lesson materials, and adopted resolutions.

The Secretary of the Ministry of Education, as well as a number of military engineers, engineers from Government departments, members of the Governing Body of Government Technical Institutes, Technical High School and Artisan Training Centre and non-officials who are interested in the uplift of technical education attended the Conference and participated by giving a number of valuable interesting and inspirational talks. The success of the Conference was made possible by the enthusiastic and active participation of all who attended.

(A) BUILDINGS AND EXTENSIONS

(1) *Government Technical Institute, Insein.*—During the period under report, the construction of one building consisting of 16 units designed for the accommodation of teachers has been completed and occupied by members of the teaching staff, and a plot of nine acre of land necessary for the construction of additional buildings has been acquired from the former owner. The new workshop building has been completed and the equipment from the old workshop, as well as all new equipment received by donations through foreign aids and by purchases out of Government funds, have been installed and placed in operation. A steel chimney, boiler and power plant have also been installed.

(2) *Government Technical Institute, Mandalay.*—Two hostel buildings each designed to accommodate 100 students have been constructed.

(3) *Artisan Training Centre, Rangoon.*—The rear portion of the main building which is getting old and worn out has been

dismantled and is being renovated. Concrete flooring for all the workshops has been completed and the machinery equipments have been re-installed departmentally.

(4) *Artisan Training Centre, Mandalay.*—The new Superintendent of the Mandalay Artisan Training Centre purchased building materials such as iron sheets, asbestos, cement sheets and timber, and built a practical up-to-date welding shop. The shop was constructed by Artisan Training Centre trainees under the guidance of their instructors as part of the trainees practical training programme in which they “learned by doing”.

During the period under report, amateur wireless stations are being installed in the Government Technical Institutes at Mandalay and Insein. All necessary equipments have been acquired and a licence obtained from the Telecommunications Department.

Foreign aids under the Colombo Plan and the Ford Foundation are still being received by the Government Technical Institutes, the Artisan Training Centre, Rangoon and the Technical High School.

(B) TRAINING FACILITIES

The third group of teacher-trainees from the Government Technical Institute, Insein, including a recent Mining graduate and one teacher-trainee from the Mandalay Government Technical Institute and the second group of teacher-trainees from the Technical High School, Rangoon, which were sent for further training in the United States for one year under Ford Foundation aid, returned in August 1959.

The next group comprising four teacher-trainees, one recent graduate in Mining Technology from Government Technical Institute, Insein, two teacher-trainees from Government Technical Institute, Mandalay, and one teacher-trainee from Technical

High School, Rangoon, were sent in August 1959 to the United States under Ford Foundation aid.

In addition, two teachers from Artisan Training Centre, Rangoon, one from Radio Shop and the other from Machine Shop were sent to New Zealand in August 1959 for further practical training under the Colombo Plan. However, one teacher-trainee from Radio Shop returned in January 1960.

The Government Technical Institute, Mandalay, Workshop Superintendent who was deputed to New Zealand in 1956 under the Colombo Plan has now returned and resumed duty.

One Lecturer from the Government Technical Institute, Mandalay, deputed to Australia under the Colombo Plan is still studying for his M.Sc. (Engg.) degree.

(C) FOREIGN ADVISERS

Two Ford Foundation Advisers are working at the Technical High School,

Rangoon, and three Ford Foundation Advisers and one I.L.O. Adviser are working at the Government Technical Institute, Insein.

Two Advisers from New Zealand under the Colombo Plan are now working in the Artisan Training Centre, Rangoon, for improvement of the Centre.

(D) STUDENT-TRAINEES

The number of student-trainees who have successfully completed their courses during 1958 and 1959 are shown below :—

Serial No.	Institute/Centre.	Total.	
		1958	1959
1.	Government Technical Institute, Insein ...	116	103
2.	Government Technical Institute, Mandalay ...	69	51
3.	Technical High School, Rangoon ...	79	116
4.	Artisan Training Centre, Rangoon ...	61	60
5.	Artisan Training Centre, Mandalay ...	52	31
6.	Engineering Technology Evening Classes, Rangoon ...	54	29
7.	Handicraft School, Rangoon ...	43	45



Students at the Technical High School, Natmuk Road, receive training in use of modern machines and equipment.

During the period under report, quite a goodly number of returned State Scholars intended for this Directorate have joined the two Government Technical Institutes at Insein and Mandalay and there is now no problem regarding an instructional staff shortage.

During the tenure of the Bogyoke Government, the most notable feature is that both the staff and students are maintaining very good discipline and no strikes have occurred in any school. Any problem or dissatisfactions which have occurred have been amicably settled.

The Leather Working class, which was formerly located at the Government Technical Institute, Insein, was transferred to the Handicraft School in December 1959 and the class is operating very satisfactorily with 16 trainees. Steps have been taken with the Government for an award of stipends to the trainees which will be comparable to those awarded to the Handicraft School trainees.

The Director of Technical Education is a member of the Education Enquiry Committee. The Director has submitted to the Committee a Report on Technical and Vocational Education System, Burma, for consideration.

The Artisan Training Centre at Mingaladon, which was formerly operated by the Electric Supply Board, has been asked to be transferred to this Department of Technical Education and plans for the opening of an Industrial Trade School are being made. A proposal covering the

organization and operation of the Industrial Trade School has since been submitted to Government.

Engineering Technology Evening Classes are now running four-year courses in place of the former three-year courses.

A proposal for changing the Technical High School course from 2 to 3 years, has been made and plans for new curricula, additional staff have been submitted to Government.

A proposal for the opening of another Engineering Technology Evening Classes at the Government Technical Institute, Mandalay, is now being made.

Dispensaries have been opened at the Government Technical Institute, Insein, and the Technical High School, Rangoon, and sick students are making use of these facilities.

The teaching staff of the Technical High School, Rangoon, with the assistance of the Ford Foundation-Dunwoody Advisory staff, have produced text books on trade subjects and on Chemistry and Physics.

Work is being done to produce text-books on Mathematics and English with special bias towards trade subjects. The text-books so produced are also sent to Artisan Training Centre, Rangoon and Artisan Training Centre, Mandalay. The Military Training School at Maymyo have asked for a supply of such text-books, but so far, the school has not been able to comply beyond a few copies of each trade for reference, due to a limited budget.



U Khin Maung Pyu, Minister

Ministry of Information

The Ministry of Information has under its jurisdictional supervision the following boards and departments:

1. Directorate of Information.
2. Directorate of Broadcasting.
3. Directorate of Films and Stage.
4. Government Printing and Stationery Department.
5. State Film Promotion Board.
6. Union of Burma Censors Board.

Also implementing the activities of the Ministry of Information is the Directorate of Education and Psychological Warfare, Defence Services, Ministry of Defence.

The administrative machinery which hitherto had apparently been lacking in momentum and in a decadent state, appears now to have been revitalized by the Government of the Union of Burma. In particular, the Government has provided every assistance and encouragement to officers, both executive and judicial, in the discharge of their duties and responsibilities without fear or favour and keeping in sight the best interests of the people and the preservation of law and order.

In thus revitalizing the administrative machinery, in common with other departments of the Government, the Ministry of Information and the various departments under it, such as the Directorate of Information, the Burma Broadcasting Service, the Directorate of Films and Stage, the State Film Promotion Board and the Printing and Stationery Department, in close co-operation and co-ordination with the Directorate of Psychological Warfare under the Ministry of Defence, have made all-out efforts towards

further strengthening and rejuvenating the administrative machinery and boosting the morale of the people in general.

As a key Department responsible for mass awakening in all fields of human activity, the Ministry of Information in any country assumes a significant role.

The publications issued by it concerning public information and public relations are being read with much interest by the general public as a rule. Consequently, the public are in a much better position to know more about the working of the various departments of Government as well as current international affairs..

Previously, the public has shown scant interest in publications issued by the Information Department of the Government of the Union of Burma. The reason is because the activities undertaken by the Ministry of Information and the various departments under it have hitherto been subordinated to the interests of a particular ruling party and solely directed at merely carrying out the policy laid down by that party to further its own interests or those of a particular individual.

Thus, the Ministry of Information in the past appears to have operated not to the benefit of the general public but merely as an instrument of propaganda for the party in power.

Furthermore, the Ministry of Information has been functioning without a clear-cut policy and principles in the past with the obvious result that work in the departments under it suffered from lack of cohesion and system and invariably had had to undergo frequent changes in official procedures to suit one particular political party or organization.

On occasion, the departments under the Ministry of Information would, without the least regard for official guidance and procedures or suggestions given by the respective

departmental heads, act irresponsibly and unscrupulously, as evidenced by the following glaring instances of irregularity and consequent loss of public revenue:

- (1) Procurement of "Murphy" radio sets for distribution in rural areas, which were found to be of an inferior type.
- (2) Purchase of tape-recorders from the American firm of RCA which proved disadvantageous as there was no alternative but to continue to buy the necessary accessories and equipment from that firm only at prices quoted by it.
- (3) Loss of over K 3 lakhs worth of property due to storage for long period of transmitting machinery and equipment for which immediate orders had been placed when no arrangements were yet complete for construction of a transmitting station.

Other irregularities and shortcomings are listed below by departments:

(a) *Information Department*

- (1) Official reporters of this Department had perforce to take photographs and to release news concerning party affairs and private social events.
- (2) Public Relations Officers had had to help, also with funds, in party organizational work.
- (3) Printing and distribution of hundreds of thousands of copies of party conference speeches.
- (4) In matters involving appointment and posting of Public Relations Officers and Assistant Public Relations Officers, orders from the Parliamentary Secretary, Ministry of Information, had to be carried out.
- (5) The quantity of publications purchased for distribution being unwieldy and determined from above, considerable

difficulty had arisen both in regard to proper storage and effective distribution.

(b) *Broadcasting Service*

(1) Installation of the public address system, entertainment with tape-recorded songs and at times actual participation of the staff in musical programmes with songs and dances on occasions of private "ahlus" (charity), birthdays, etc., at the residences of Cabinet Ministers.

(2) Installation of amplifiers at party conferences, tape-recording of speeches and broadcasting of news-bulletins concerning private activities of Cabinet Ministers.

(3) Cancellation of scheduled programmes to give radio time immediately for some broadcast speeches by political leaders despite the fact that the matter was not of such urgency as to involve a life-and-death struggle for the nation as in time of war.

(c) *Films and Stage Department*

(1) Filming of scenes of party organization work by official cameramen of the Department accompanying Cabinet Ministers on tours, and even of the funeral rites of Ministers' mothers, "Shinbyu" ceremonies of their sons, etc.

(2) Staging of film-shows at Ministers' residences, and loaning of projectors and films to Ministers.

(3) Strict compliance with the orders of the Parliamentary Secretary, Ministry of Information, in matters of appointments and transfers of Film Unit Officers.

(4) Performance by troupes of the Department at anniversary celebrations of the press owned by the party in power, etc.

(d) *Printing and Stationery Department*

(1) Suspension of other printing jobs so as to allow of the printing of Ministers' speeches; printing on occasion of speeches made at Party conferences, and even of

political books, such as "Guide to Socialism in Burma" and "Towards a Socialist State".

(2) Printing of speeches as an emergency measure at the Burma Translation Society Press after which recourse was had to NAC (Non-availability Certificate) being provided by the Superintendent, Printing and Stationery Department.

(3) Making loans of typewriters to political parties or organizations, and of newsprint to certain newspapers.

(e) *Film Censors Board*

(1) Nomination of persons who were in the good books of the ruling party as Members of the Board. Nomination was usually made without any basis of policy.

(2) Repudiation at times of the decisions made by the Board without careful consideration.

(3) Absence of any clear-cut policy in deciding on appeals.

(f) *State Film Promotion Board*

(1) Misuse for private purposes of motor vehicles and petrol belonging to the Board by political leaders without the approval of the Board or the Ministry concerned.

(2) Unscrupulous utilization of the services of officers and staff of the Board by political leaders for private purposes and without the knowledge of the Board.

(3) Award of honours to those whom the Board fancied, through back-door approaches to political leaders.

In the circumstances outlined above, it became imperative that the functions of the Ministry of Information should proceed on the basis of a well-defined policy, more especially as the Ministry of Information has had to assume an all-important role in the task of successful suppression of the insurgency and other disturbances in the country.

Following consultation among the responsible officers of the Directorate of Psychological Warfare, policy objectives were laid down and necessary steps taken as follows.

(g) Policy Objectives

(1) Measures have been taken whereby the Ministry of Information instead of operating merely as a propaganda machinery for the party in power, should base its activities on the principles enunciated in the Constitution of the Union and function accordingly to (a) foster Union-consciousness, (b) promote Democracy, (c) uphold economic justice and (d) develop civic-mindedness among the people.

(2) Steps have been taken towards the transformation of the Ministry of Information into an effective machinery to combat enemies of the Union who through ideological warfare or insidious activities, have sought to undermine the Constitution of the Union.

The targets of the Ministry of Information in this context are—

(a) Organizations, movements and ideologies which run counter to the fundamental principles, concepts and convictions embodied in the Union Constitution.

(b) Organizations, movements and ideologies which violate established and just rules of human conduct.

(3) On the basis of the principles outlined above, the Ministry of Information, during the term of the Bogyoke Government, has striven with the main objective to encourage and propagate right concepts and correct ideas as above and also to step up the morale amongst Government servants (including school teachers and the Police), students and the masses.

(4) In addition, the Ministry of Information has undertaken to educate the masses

in nation-building measures and to disseminate literature on a wide range of subjects covering culture, Burmese historical events and social justice to all classes of people regardless of differing faiths.

Policy Directives

(5) The tendency of the departments under the Ministry of Information to pander to the tastes and interests of a particular party in power as the basis of its policy and no other, has been effectively countered and policy directives have been issued to totally abstain from acting according to the whims and fancies of any one political party.

Hitherto, the departments under the Information Ministry having had to serve as component parts of the machinery of the party in power, their prestige as Government departments and also that of the officials and staff serving with them had been very much lowered, especially since these officials and staff had stooped to activities in flagrant violation of the rules governing the conduct of Government servants. Safeguards have now been provided to prevent a recurrence of such aberration in future.

(6) In such manner, the administrative machinery of the Ministry of Information under the Bogyoke Government has been brought into conformity with the policy objectives and directives set forth in paragraphs 1 to 5 above.

The Ministry of Information has not only avoided any moves that are likely to prejudice, impair, contravene or endanger the Union Constitution but has ceaselessly and relentlessly combated such moves and taken effective steps to lend weight to the significance of the Constitution in all aspects.

(7) The Ministry of Information now absolutely refrains from conducting propaganda on behalf of any one political party, association or organization.

In the future, apart from official broadcasts or release of speeches of Members of the Cabinet delivered in Parliament, the principle has been laid down that the Ministry of Information shall not undertake to release, print or publish any other speeches or announcements, whether these may be made by Members of the Cabinet or by the party in power.

(8) Following instructions by the Ministry of Information, the departments under its administrative control have made a thorough examination of all publications, films and tape-records which were solely meant for propaganda for any one political party, organization or person, and have sorted out those which should fittingly be preserved as historic documents or materials on certain conditions, such as that these documents or materials should not be made use of, say, within ten years.

Apart from these historically important documents or materials, instructions have been given to destroy all other publications, films and tape-records aimed at propaganda for any one political party or person.

(9) Steps have been taken in order that officers and staff of various departments under the Information Ministry may acquire sufficient knowledge of the policy of this Ministry and publicity methods to be employed.

(10) Hitherto, it has been the practice for foreign embassies in Burma to print abroad in Burmese publicity materials, such as pamphlets, booklets, journals and magazines and then to import these into Burma for propaganda purposes.

This has since been stopped and a decision made that printing of such publicity materials should be undertaken in Burma only.

Moreover, a careful scrutiny is being made of publicity materials which are printed and published, both in English and Burmese, either in Burma or abroad,

by foreign embassies accredited to Burma, and of the various foreign publications imported into Burma for the Burmese reading public in order to ascertain if such publications contain matter of such a nature as to offend against the basic principles embodied in the Union Constitution or against Burmese customs, tradition and culture.

(11) In the past, there has not been much co-ordination between the six departments under the Information Ministry—the Information Department, the Burma Broadcasting Service, the Films and Stage Department, the State Film Promotion Board, the Printing and Stationery Department and the Film Censors Board.

To achieve co-ordination and co-operation between these departments themselves and also with the Department of Psychological Warfare under the Ministry of Defence a committee known as the Information Policy Committee has been formed with the approval of the Cabinet.

This Policy Committee meets once a month to consider and discuss all aspects of information and public relations work to be carried out by the various departments according to the policy objectives and directives set forth above. The composition of the Committee is as follows:

(h) Information Policy Committee

Secretary (Information Ministry)—*Chairman.*

Policy Director (Director, Directorate of Education and Psychological Warfare)—*Vice-Chairman.*

Director of Information—*Member.*

Director of Broadcasting Service—*Member.*

Chief Executive Officer (State Film Promotion Board)—*Member.*

Superintendent (Printing and Stationery Department)—*Member.*

Chairman (Film Censors Board)—*Member.*

Deputy Secretary (Information Ministry)—*Committee Secretary.*

To ensure smooth and efficient functioning of the departments under the Ministry of Information in accordance with policy objectives, an executive committee for each department has been formed as shown below:

(i) *Executive Committee (Information Dept.)*

Policy Director—*Chairman.*

Deputy Director (Education and Psychological Warfare Department)—*Vice-Chairman.*

Director of Information—*Vice-Chairman.*

Deputy Director of Information (Press)—*Secretary.*

Committee Members

Deputy Director of Information (Admin.)

Publications Officer.

Curator of Publications.

Chief Public Relations Officer.

Deputy Superintendent, Printing and Stationery Department (Co-opt member).

(j) *Executive Committee (Films and Stage Department)*

Policy Director—*Chairman.*

Deputy Director (Education and Psychological Warfare Department)—*Vice-Chairman.*

Director (Films and Stage Department)—*Vice-Chairman.*

Deputy Director (Admin.) (Films and Stage Department)—*Secretary.*

(k) *Executive Committee (Broadcasting Service)*

Policy Director—*Chairman.*

Director (Broadcasting Service)—*Vice-Chairman.*

Deputy Director (Education and Psychological Warfare Department)—*Vice-Chairman.*

Administrative Officer (Broadcasting Service)—*Secretary.*

Committee Members

Deputy Director (Broadcasting Service).

Chief Engineer (Broadcasting Service).

Staff Officer (Propaganda), Directorate of Education and Psychological Warfare.

Officer-in-charge (Additional Programme).

Programme Officer (Additional Programme).

Script-writer (BBS).

English Programme Officer (BBS).

Assistant Engineer (BBS).

In the discharge of the functions connected with public information and public relations, a large measure of success has been achieved through close co-operation between the respective departments and the Department of Education and Psychological Warfare. This is amply borne out by the following progressive statement indicating the volume of work carried out by the departments under the Ministry of Information :

Posters (4 kinds) ...	121,000
Pamphlets (65 kinds) ...	16,671,000
Booklets (130 kinds) ...	3,394,902
Booklets (64 kinds) (in English)	419,621
Books (14 kinds) ...	1,662,170
Books (10 kinds) (in English) ...	57,810

(The above list does not include publications printed and distributed by District Security Councils and Headquarters of Army Commands and Brigades.)

Press handouts ...	6,352
Newsphotos ...	750,127
Public lectures (by Public Relations Officers) ...	5,506
Public meetings ...	80,786 members of the Buddhist Order and 4,810,070 laymen attended meetings held in 498 towns. (Number of audience at National Solidarity Associations not included).
Broadcast hours ...	4,331.40 hours (an increase of 1,415.15 hrs. during 15-month period).
Film shows ...	4,486 times.
Stage shows ...	133 times (in 52 townships).
Printing jobs ...	311,895 job works of 203 kinds undertaken during period under Bogyoke Government. (During previous 15-month period, 111,815 job works of 125 kinds executed).

In addition, the Department of Education and Psychological Warfare, in co-ordination with the Public Administration Department, has undertaken to organize reorientation courses of lectures on a variety of subjects covering public administration, national ideology, oratory, public leadership, community development, etc., for the benefit of a large number of Government officials.

Throughout the country, these refresher courses have been held, attended by civil and military officers, police officers, members of the Union Constabulary, village headmen, village elders and members of Village Security Forces. In all, 463 refresher courses of 14 categories have been held for 26,592 persons attending these courses.

Statement showing the number of Officials and Non-Officials who attended the Refresher Courses

	No. of Officers	Others	Total
1. Army ...	1,504	4,367	5,871
2. Police (DSPs, SDPOs & IPs) ...	531	3,221	3,752
3. Union Constabulary (Majors, Cpts.) ...	304	1,501	1,805
4. General Administration (DCs, SDOs, TOs) ...	1,250	3,832	5,082
Total ...	3,589	12,921	16,510
5. Headmen (including leaders of Solidarity Associations, village elders and Village Defence Forces) ...	...	10,082	10,082
Total ...	3,589	23,003	26,592

I. Directorate of Information

(A) ADMINISTRATIVE BRANCH

During the period of the Bogyoke Government, an Executive Committee comprising the Policy Director, the Director of Information and responsible officers of various branches in the Ministry, including the Superintendent of the Government Printing and Stationery Department, was

set up. Twenty-four meetings were held by this Committee during the period from December 1958 to December 1959 and various important matters connected with the Information Department were discussed and implemented.

The Public Relations Branch of this Department was also reorganized with a view to securing qualified and efficient officers. As a result, some Public Relations

Officers and Assistant Public Relations Officers, who were found incompetent and lacking the requisite educational qualifications were either discharged, demoted or transferred to other places by the Screening Committee consisting of the Information Secretary, the Deputy Secretary of the Ministry of Information and the Policy Director.

They were replaced by qualified hands specially selected by this Committee. The newly appointed officers were given training both in indoor and outdoor work. In addition, training courses on psychological aspects and public relations were held for them at the Education Camp, Chawdwingone.

The department has saved expenditures on the distribution of publications in the following manner:

Under the previous Government, the Department usually bought the books from the Burma Translation Society for distribution; these ranging in number from 20,000 to 75,000 copies, at a cost of K 4,00,000 up to K 7,00,000.

Since the inception of the Bogyoke Government, the Department has revised the buying of publications from the BTS. It was found that because of the expenditure on the buying of the BTS

publications, the department could not buy other materials which would be really essential to the Department. Moreover, the publications from BTS were not quite current in its general aspects.

Hence, the buying of books from the BTS was duly suspended. Now, the Department can buy all really necessary equipment, such as loudspeakers, etc., and also return K 26,880 to the Government for the Budget year 1959-60 as surplus money.

Although the Government had sanctioned the Department to buy ten different kinds of books and the *Sarpay Beikman Magazines* from the BTS at a cost of K 11,59,375 payable in 5 years, the Department had so far bought four different kinds of books and magazines for the period of 3 months, costing K 1,05,000. The Department has refrained from buying the remaining books, thus saving K 10,54,375.

(B) DISTRIBUTION SECTION

The following Table indicates the volume of work done by the Distribution Section during the 15-month period of the Caretaker Government:

(1) Publications usually distributed

Title of publications	During AFPFL Government	During the Bogyoke Govt.
1. <i>Pyidaungsu</i> (published fortnightly).	10,000 copies	35,000 copies.
2. <i>Burma Weekly Bulletin</i> ...	6,500 ..	6,500 ..
3. "Burma", in English (published quarterly) Vol. IX., No. 1.	5,500 ..	5,500 ..
4. <i>Burma Independence Number</i> 11th Anniversary (in Burmese).	4,500 ..	3,200 ..
5. <i>Burma Independence Number</i> 11th Anniversary (in English).	5,500 ..	4,000 ..

(2) Other Miscellaneous Publications distributed

1. Prime Minister General Ne Win's Policy Statement made during the 7th Session of Parliament (in Burmese) ...	50,000 copies.
2. Prime Minister General Ne Win's Policy Statement made during the 7th Session of Parliament (in English) ...	3,000 "
3. Prime Minister General Ne Win's speech delivered at the 8th Session of Parliament (in Burmese) ...	10,000 "
4. Chancellor's Speech at the University Convocation (in Burmese) ...	100,000 "
5. Chancellor's Speech at the University Convocation (in English) ...	5,000 "
6. President's Speech at the ceremony inaugurating new administration in the Shan State occasioned by the surrender of feudal powers by Shan Chiefs ...	5,000 "
7. President's Speech on the occasion of the 14th Anniversary of Resistance Day ...	5,000 "
8. Special publication on the introduction of new administration in the Shan State ...	10,000 "
9. Journal on Maymyo Defence Services Academy (in Burmese) ...	5,000 "
10. Journal on Maymyo Defence Services Academy (in English) ...	5,000 "
11. <i>Dhammantaraya</i> ...	5,000 "
12. The Nine Months After the Ten Years (published twice) ...	20,000 "
13. Once in a life time—excerpts ...	100,000 "
14. Policy and Comparison (in Mon language) ...	8,510 "
15. <i>Dhammantaraya</i> (in Mon) ...	9,670 "
16. The Nine Months After the Ten Years (in English) ...	8,000 "
17. <i>Dhammantaraya</i> (in English) ...	10,000 "
18. GUB ...	8,000 "
19. The Open Mind (Vol. I, No. 1) (in English) ...	5,000 "
20. The Open Mind (Vol. I, No. 2) ...	5,000 "
21. "Rangoon", a Pocket Guide ...	3,300 "
22. Burma Handbook ...	5,500 "

(3) Publications purchased and distributed

1. The Burman and the World Vol. I, Nos. 1—8 published fortnightly (in Burmese) ...	7,000 copies.
The Burman and the World, Vol. I, Nos. 9—11 (Publication has since been suspended) ...	5,300 "
2. "Khit-Yay" Weekly ...	150 "
3. "Hmu Khin" Journal (published monthly) ...	1,000 "
4. Guardian Magazine (in English) (published monthly) ...	121 "
5. "Myat Yadana" Journal (published monthly) ...	121 "
6. Children's Journal (monthly) ...	136 "
7. "Myat Lulin" Journal (monthly) ...	155 "
8. "Sar Thin Thar" Monthly ...	77 "
9. "Yin Kyay Hmu" (Monthly Journal) ...	195 "
10. "Thet Hlyar" Monthly Magazine ...	74 "
11. Railways Monthly Journal ...	121 "

(4) Other Publications

1. National Ideology and the Role of Defence Services (both in Burmese and English) ...	20,000 copies.
2. "Kalainchon Lawka Neikban Zaw Myar Hnit Kyanoketo" (Hawkers of Human Hope & We) ...	10,000 "

The publications enumerated above were regularly distributed to all Heads of Offices (including President's Secretary); members of both Chambers of Parliament; Burmese Embassies in foreign countries; Diplomatic Corps in Rangoon; Reading Rooms and members of the general public through Public Relations Officers and Assistant Public Relations Officers; private individuals at home and abroad and the local press.

According to the new policy, the *Dhammantaraya* (Dhamma in Danger) was published in a special number of the *Pyidangsutha* in order to reveal the danger posed by the Burmese Communists to Buddhism. And with the intention of convincing the people of Burma as to that danger, 20,000 copies of the *Dhammantaraya* in Mon were also distributed; while publication in various other languages are to follow. About 5,000 *Dhammantaraya* posters were published and distributed.

Furthermore, with the intention of educating the members of the National Solidarity Associations throughout Burma, a special number on "The Rules and Principles of the National Solidarity Association" has been published and distributed.

(C) INFORMATION AND LIAISON BRANCH

A novel feature in the administrative set-up of the Directorate of Information during the tenure of the General Ne Win's Government was the creation of a new branch known as Information and Liaison Branch to deal specifically with visiting foreign journalists, authors, historians and researchers.

This branch was established on July 20, 1959 and placed under the charge of an officer of gazetted rank, as the need was urgently felt to establish contacts with every visiting journalist, writer, historian or

researcher and to provide factual and authoritative information on all aspects of the governmental machinery and on the Union of Burma in general.

The duties and responsibilities which the Information and Liaison Branch is required to discharge are—

- (1) To maintain personal contacts with visiting foreign journalists, writers, historians and researchers;
- (2) To provide them with necessary information material concerning the Union of Burma, such as magazines, booklets, pamphlets and other various official publications issued by the Union Government;
- (3) To collect and maintain their short personal histories with particular reference to their journalistic or literary background;
- (4) To arrange, at their request and as circumstances dictate, Press interviews with members of the Cabinet, high-ranking civil and military officials of the Union Government and members of the local Press; and
- (5) To render them help and co-operation, as far as is practicable in the collection of facts about the Union of Burma.

Apart from these main functions, the Information and Liaison Branch also keeps in constant touch with the Immigration Department and the Foreign Office and offer suggestions on applications for entry *visas* by foreign journalists, writers, historians and researchers.

Furthermore, the Branch maintains a list of works on Burma by living foreign writers and copies, whenever available, of articles and writings by visiting foreign correspondents.

Since this Branch started functioning in July last, it has rendered help and co-operation to over 100 visiting journalists, authors, historians and researchers.

(D) PUBLICATIONS SCRUTINY SECTION

Another new branch, named the Publications Scrutiny Section, has been opened at the Ministry of Information since December 22, 1958. This section daily reviews an average of 25 Burmese and English newspapers published in Rangoon and the districts.

Also, it has to examine weekly and monthly publications such as journals and magazines, as well as books that come out from time to time. The branch reviews an average of 144 publications monthly.

Up to December 1959, this section sought the opinion of the Attorney-General on 46 writings that might have contravened the Press (Emergency Provisions) Act.

Out of a total of 258 cases under Sections 20/87 of the Juvenile Offenders' Act sent up to the Special Branch of the Police Department, legal action has been taken against 37 news reports. Of these, 35 cases have been convicted, while two are still pending before the courts.

Legal action was also taken against altogether 48 publications comprising newspapers, journals and magazines under Section 12 of the Press (Registration) Act and all these cases were convicted.

Twenty-one other publications were warned for failure to comply with the requirements of the same Act.

Furthermore, 13 other publications were also warned for printing false news-reports, pornographic pictures and material tending to disturb the public peace.

Apart from these activities, this section has also to scrutinize publications forwarded by the Foreign Office to see whether they

should or should not be distributed in the Union of Burma, and this section submits its opinion to the Information Ministry.

The Publications Scrutiny Section also forwards excerpts from newspapers and journals to the officers concerned if it considers that they are suitable for insertion in Government publications.

(E) PUBLICATIONS AND RESEARCH BRANCH

With a view to leading the general public to understand the policy and activities of the Government, the Information Directorate has been issuing the *Pyidaungsu* (Union Citizen) twice a month.

During the time of the previous Government, this publication used to contain only official news, particularly speeches delivered by the Prime Minister and other Cabinet members, and 10,000 copies were released at a time.

But since the inception of General Ne Win's Government, the policy in publishing the *Pyidaungsu* has been changed.

This periodical now aims at imparting knowledge to village headmen, and its contents are divided into 4 parts, viz., Counter-propaganda work against insurgents, education, activities of various departments of the Government, and miscellaneous.

Also the circulation of this publication has been increased to 35,000 copies.

(F) PUBLICATIONS SECTION

The Publications Section printed and published separate publications to meet special demands, in addition to those published periodically.

On April 29, 1959, a ceremony was held inaugurating the new administration in the Shan State occasioned by the voluntary surrender of their feudal powers by the



Various publications recently produced by the Ministry of Information

Shan Chiefs. As this ceremony would go down in the history of the Union of Burma, 10,000 copies of a pictorial publication entitled "Founding of New Administration in the Shan State" were published.

During the nine-month period of the Bogyoke Government, 20,000 copies of a book entitled "The Nine Months After The Ten Years," showing the spectacular success achieved by the Bogyoke Government, with illustrations and statistics, were published.

In addition to the above, 10,000 copies of a pamphlet entitled "A Comparison between the National Ideology and Communism" were published in the Mon language for the information of the Mon people.

Besides, during September 1959, 6,500 copies of a book entitled "National Economy" containing a record of informal discussions held by high ranking military and civil officers, leading businessmen, rice millers and industrialists were published.

Twenty-one thousand five hundred copies of "Handbook on Burma" were published and widely distributed at home and abroad. An outstanding feature attained by this section is that this book contains accounts of developments made by the Bogyoke Government in respect of education, national economy and transport and communications.

The "Handbook on Burma, 1955" was printed in the year 1955 and only 4,000 copies were published. The section can be said to have made distinct improvement in that a representative of the Directorate of Information was able to distribute personally as many as 10,000 copies of the "Handbook on Burma, 1959" during her visit to the World Agricultural Fair held at New Delhi in December 1959.

It is a well-known fact that the reading public at home and abroad have been able to obtain accurate and first-hand information from the books and journals published

by this Directorate which has been closely following the policy outlined and directives issued by the Bogyoke Government.

The following publications showing the accomplishments made by the Caretaker Government have been distributed:

1. GUB (November 1958—February 1959) ;
2. The Nine Months (November 1958—July 1959).

In the compilation of *Dhammantaraya*, this Directorate was responsible for producing photographs and blocks to be sent to the Government Press and examining drafts and proofs.

(G) RESEARCH SECTION

The Research Section undertook the following functions and has achieved a large measure of success in its work.

In connection with the nation-building projects carried out by the Government headed by General Ne Win, this section kept proper records of cuttings from the editorials, of local newspapers, news comments and articles which were considered useful for production of reference books and which also listed the Government's accomplishments.

These related to the suppression of insurgents and the rule of law ; the eradication of economic insurgency and the holding of a fair and free general election.

This section also undertook the distribution of various publications concerning Burma to foreign countries ; biographies of Cabinet Ministers of the Bogyoke Government were also compiled and distributed, and suitable replies made to foreign research scholars on the subjects of national economy, education and Union Culture.

To enable Burma to participate in various foreign exhibitions, several photographs and publications were sent abroad. This section also yearly collected facts

about Burma for inclusion in the " International Statesman's Year Book."

The work of the section had increased considerably during the year under review as it had to collect various data on the various activities of the General Ne Win's Government and disseminate them to various research scholars.

(H) PRESS BRANCH

During the period under review, the Press Branch of the Information Directorate released daily to the Press and the Burma Broadcasting Service official news-reports adapted to the Government's policy and including those received from the Defence Services Information Section.

In connection with the issuing of news items and photographs it will be observed from a study of the two tables (attached herewith) that the 1958-59 figures for news items handled by this branch show a remarkable increase over the corresponding figures for 1957-58. This is the result of the increase in governmental activities.

Photographs issued to the Press in connection with news also show an increase as compared with figures for other purposes.

There was also an increase of Government advertisements in newspapers in 1959.

In particular, the Press Branch transferred to the BBS the services of two reporters, one English Editor, two Senior Translators, one Monitor and an Assistant Monitor under a special arrangement.

Activities of Press Branch

<i>Months.</i>	<i>Number of news items.</i>	<i>Advertisements.</i>
Aug. 1957 to Oct. 1958 ...	4,822	8,666
Nov. 1958 to Jan. 1960 ...	6,283	10,628

(I) PUBLIC RELATIONS BRANCH

Under the Bogyoke Government the Public Relations Officers have undergone training in public relations and psychological warfare. They were taught to work in line with the policies laid down in the schemes on "Restoring Law and Order," "People's Reporters", "National Solidarity Associations," etc.

They received training to speak in public and to hold exhibitions, to educate the mass and to co-operate with the people so as to help in the implementation of such schemes.

Since October 1958, the distribution of the publications of "*Dhammantaraya* and *Pyidaungsu*tha in Burmese, English and Mon have been made by the PROs in the various districts of Burma.

PROs were attached to the 14 Brigades in order to work for the development and education of the rural population of Burma proper and the peoples of the Kachin, Karen and Shan States, etc.

PROs and APROs also co-operated fully with various other Government servants in the social activities of the National Solidarity Associations.

They also served as instructors in the psychological warfare courses opened in the various districts for headmen, Government servants, school teachers, etc.

They also served as secretaries in the local scout associations. In the new satellite towns of South and North Okkalapa and Thaketa, a public library had been opened.

The exhibitions held by the Information Ministry covered all occasions of public assembly, including pagoda "pwes" and the funeral ceremonies of Buddhist monks.

Concerning the policies and the works of the Government, the following visual presentations to the public had been made:

- (1) Erection of big posters portraying *Dhammantaraya* had been undertaken.
- (2) 10,000 posters on the "The Rule of Law and Peace in Normal Areas" have been displayed in almost all public places.
- (3) Holding of a painting competition portraying the idea of "Rule of Law and Peace in the Rural Areas."

The vivid difference showing the achievements and endeavours of the PROs and APROs under the present Government as compared to previous ones is herewith indicated:

	1957-58	1958-59
(1) Days on tour to districts	9,179	10,525
(2) Miles travelled ...	205,924	267,103
(3) Towns visited ...	1,641	1,754
(4) Villages visited ...	4,740	5,620
(5) Public meetings held ...	3,207	3,874
(6) Attendance at the Reading Rooms in the districts ...	916,907	1,013,878

II. Directorate of Broadcasting

Of the various developments and additional broadcasting activities the following are notable:

The reputation of a broadcasting organization stands or falls on the merits of the news broadcasts. Yet, the BBS has never been provided with a news organization of its own throughout the previous successive governments. It has been broadcasting news bulletins prepared in the news section of the Directorate of Information.

And the news bulletins are largely composed of the itineraries of the various ministers on tour, the speeches they made, Government advertisements, and such items of very little news value. Even those

items which are of news value lose their value because of lateness in arrival.

Under the Caretaker Government, the BBS was enabled to set up a news organization of its own, which immediately resulted in marked improvement in news collecting, editing and presentation.

On several occasions the BBS has been first with the news, so that its news broadcasts have begun to be appreciated by both the listeners and the newspapers; and has sometimes been quoted in print. It was not only the quality of its news broadcasts that was stepped up, but also the frequency of the news broadcasts as the figures will show.

The tenet that the BBS must not serve as a party propaganda organ was clearly demonstrated under the Caretaker Government, which forbid publicity broadcasts for any political party, organization or individual, etc., as laid down in the Six Directives at the Second Policy Meeting in the Ministry of Information.

Hitherto, such broadcasts, though welcome to the ears of the parties concerned, have been otherwise to the ears of the general audience; so that listeners now eagerly accepted the interesting items duly substituted, such as informative, cultural, educational, nation-building, morale-raising and entertaining programmes.

The world standards of programme organization have been adopted in setting the ratio of 10 per cent talks, 60 per cent entertainment and 30 per cent news in relation to the total programme output.

This change from radio programmes disorganized by party exigencies to regular radio programmes organized and balanced according to accepted standards met with the approval of the listeners who now enjoy not only better programmes but also an increase in programme hours from 7 hours 45 minutes to 11 hours 50 minutes a day.

With regard to the indigenous language broadcasts, whereas formerly there were regular spoken-word broadcast only in Shan and Karen, now additional broadcasts in Chin, Kachin and Mon are being transmitted.

In the 15 months of the Caretaker Government the total increase in transmission hours amounts to 1,335.

(A) BBS MAGAZINE

One entirely new enterprise, which the BBS has been enabled to start at long last under the Bogyoke Government, was the publication of the fortnightly Burmese BBS magazine *Thawtashin* which aims at the status and circulation of the BBC's "The Listener," at a low cost of 50 pyas.

Previous attempts to start this enterprise were unavailing.

On December 1, 1959, the first issue of "Thawtashin" appeared with articles, libretti, talk-scripts, stories, photos, colour blocks, news of the fortnight and children's section, in addition to the BBS and Additional Programmes for the current fortnight.

The auspiciousness of this first appearance of this magazine was marked by the sale of as many as 7,000 copies, which was actually 2,000 copies more than the target hoped for.

As a twin enterprise, an association to be called the BBS Listeners' Association is being planned with the object of unifying all the BBS listeners in the Union of Burma and establishing close and fruitful relations leading to general appreciation and participation in the broadcasting activities.

(B) BROADCASTING HOURS

Comparative figures of the broadcast programme hours between (1-8-57 to 8-10-58) and (1-11-58 to 31-1-60) regarding

Burmese language news, talks, entertainment, features, special broadcasts and

outside broadcasts are as follows:

Burmese Language

	1-8-57 to 31-10-58	1-11-58 to 31-1-60	Increase
	Hrs.	Hrs.	Hrs.
News	480.35	853.34	372.99
Talks	102.27	250.42	148.15
Entertainment	1,138.57	1,892.10	753.13
Features	197.53	218.04	20.11
Special Broadcasts & Outside Broadcasts	124.28	102.38	(—) 21.50 (In accordance with revised policy).

Indigenous Languages

	1-8-57 to 31-10-58	1-11-58 to 31-1-60	Increase
	Hrs.	Hrs.	Hrs.
News	182.40	225.47	43.07
Talks	20.55	36.55	16.00
Entertainment	54.55	58.00	3.05

Increase of broadcast programme hours in Burmese and indigenous languages total 1,335 hours.

New Programme Items between 1-11-58 to 31-1-60

- (1) "Crime Does Not Pay series."
- (2) "What is on in Town."
- (3) "World of Letters."
- (4) "News in Chin."
- (5) "News in Mon."

- (6) "Ladies' Magazine."
- (7) "Sports round-up."
- (8) "Music and Literature."
- (9) "Let Me Tell You."
- (10) "News in Kachin."
- (11) "Health Talks."

Comparative figures of the broadcast programme hours between 1-8-57 to 31-10-58 and 1-11-58 to 31-1-60 regarding English language news, talks, commentaries, features and entertainment are as follows:

	1-8-57 to 31-10-58	1-11-58 to 31-1-60	Increase	Decrease
	Hrs.	Hrs.	Hrs.	Hrs.
News	174.00	287.35	113.35	...
Commentaries ... ..	...	11.45	11.45	...
Talks	27.50	19.30	...	8.20
Features	36.15	43.20	7.05	...
Entertainment—				
Classical	65.00	226.40	161.40	...
Modern	309.30	105.00	...	204.30 (In accordance with revised policy).

New Programme Items between 1-11-58 to 31-1-60

- (1) Full 15-minute News Bulletins at 0830.
- (2) "Current International Affairs."
- (3) "In Town This Week."
- (4) "Stories from the Buddhist Canon."

(5) Fortnightly Talks on Buddhism.

There has been a notable decrease both in radio time and in the number of broadcast talks by members of the Cabinet during the tenure of the Bogyoke Government, as compared with the 15-month period under the previous governments. Following is a comparative statement to illustrate this point:

Broadcast Talks By Ministers

15-Month Period under Previous Governments (1-8-57 to 31-10-58)		15-Month Period under Bogyoke Government (1-11-58 to 31-1-60)	
No. of Talks— 102	Radio Time— 51 hrs. 53 mins.	No. of Talks— 13	Radio Time— 4 hrs. 34 mins.

(C) ENGINEERING BRANCH

The most significant development during the Bogyoke Government has been fuller use of the facilities that the Engineering Branch had at its disposal.

Although the BBS has had four numbers of 50-KW transmitters (one medium-wave and three short-wave) fully installed and ready for operation, only two of the transmitters (one medium-wave and one short-wave) had so far been employed for broadcasting of the BBS regular programmes.

The introduction of the Additional Programme channel in December 1958 entailed the commissioning and operation of an additional 50-KW short-wave transmitter, which had so far been lying idle. This has an important economical bearing because each 50-KW transmitter costs over K 10 lakhs and an idle transmitter means no return or benefit on the capital outlay.

Secondly, the introduction of the Additional Programme also entailed the overhauling and fresh commissioning of the old Marconi 5-KW medium-wave transmitter, which had previously been closed down by the BBS in 1957 as obsolete and surplus equipment. Thus, old but costly equipment which normally would have been disposed of as unserviceable material have now been revived to serve the interests of the nation.

Besides the increase in transmitter operations as mentioned above, the studio facilities of the Engineering Branch have also been more fully utilized in the production of the above-mentioned additional programmes.

The emergency studio at the new BBS transmitting station, which was originally designed for use in national emergencies and which has so far been lying completely idle, has been fully utilized for the production of broadcast programmes for the Additional Programme channel.

Due to the introduction of the Additional Programme, the Engineering Branch has achieved a progress of 8 additional transmitter/hours per day (two transmitters each operating 4 hours a day for the Additional Programme) over the previous figure of 16 transmitter/hours per day (two transmitters each operating 8 hours a day for the BBS regular programme).

Thus the transmitter/hours, which is an indication of operational duties, has increased from 16 to 24 transmitter hours.

Thus, in an industrial and commercial sense, the production of the Engineering Branch has increased by 50% during the Bogyoke Government.

Similar progress has also been achieved in other sections of the Engineering Branch, such as the Rural Reception Section, which is responsible for providing public address and sound amplifying systems at Government and State functions.

The total number of installations carried out by this section in the period January 1959 to December 1959 amounts to 407 installations, against the figure of 271 installations carried out over the preceding 12-month period.

This represents 50% of progress in work, and all this has been achieved by the sections concerned, without recourse to additional manpower or equipment.

Another important development during the Bogyoke Government has been fuller utilization of local personnel and their abilities.

A foreign expert was previously engaged by the Government to supervise the installation of the new transmitting station and the new studios. The new transmitting station was completed in 1957 and has since been placed into regular use. However, due to the delay in completion of the buildings for the new studios, the foreign adviser was released from service in 1959 at his own request.

The installation works for the new studios has since been taken over by the local engineering staff of the BBS. The work involving plants and equipments valued at nearly K 50 lakhs is at present progressing satisfactorily.

III. Directorate of Films and Stage

(A) FILM PRODUCTION

During the term of the Bogyoke Government, this Department had produced 39 films of newsreel and documentary category and has released 347 prints of these for public exhibition.

The subject-matter of these films related chiefly to industrial and technical projects of the Government, the works and activities of the Burma Army, Public Works and Rehabilitation projects, the drive towards total attainment of peace through strict maintenance of law and order and educational schemes.

Films pertaining to the national tradition and culture were also produced in two 35-mm shorts, for which 8 release prints have been made.

(B) FILM DISTRIBUTION

Adequate distribution of these films was made through the Department's 12 district branches, and was also extended to the various Burmese Embassies abroad.

A substantial distribution was also made to most of the units and personnel of the Burma Army and also various Government departments.

A total of 239 copies of the Department's films were also loaned out to public reading rooms, the Information Department, and other civil organizations and institutions.

(C) FILM EXHIBITION

(1) *Headquarters Film Units.*—About 649 film shows were staged in 32 municipal precincts of the City of Rangoon, and in

the newly rehabilitated satellite towns of South and North Okkalapa.

In the nearby districts such as Hmawbi, Htaukkyan, Insein, Dalla, Seikkyi, Kanaungto, Syriam, Thongwa, a total of 527 cinema shows were also successfully staged by the Film Units Department; thus altogether totalling 1,176 shows, in co-operation and co-ordination with the Corporation of Rangoon and the Psychological Warfare Department.

These were ordinary public and special cinema shows, which were staged for the Army units, hospitals and prisons.

Apart from these 16-mm film shows, other exclusive cinema shows were also made at University Colleges and civil and military training centres with 35-mm films.

(2) *District Branches Film Units.*—All the 12 Film Units in the districts and the four Headquarters Film Units were attached to the various Brigade Headquarters of the Army and performed duties in collaboration with the Psychological Warfare Department in 293 districts, including the borderlands of the Union of Burma. This culminated in the staging of 2,980 cinema shows.

Statistically, a minimum of 170 to a maximum of 285 cinema shows were staged in a minimum of 15 to a maximum of 29 districts in the whole country.

There were 15 such districts comprising 54 major and minor villages, some of which were mere hamlets. These include the recently liberated areas and those which never had the opportunity of enjoying a cinema show for the past ten years.

Some of the Units ventured forth to the borderlands between Burma and Thailand, between Burma and China, and between Burma and Pakistan and to other regions of geographical and political importance and successfully staged cinema shows there also.

(D) STAGE PERFORMANCES

For the period in view, the Stage Section has conducted five long tours. During these tours, 115 performances were given in areas under the Northern Command of the Burma Army, in most parts of Upper Burma, in the Shan State, in the Kayah State, in the Tenasserim Division and in the Karen State. They also reached the very heart of the Upper Burma Dry Zone, where such stage performances had never been seen before.

The Stage section also took part in the Resistance Day week-long celebrations at the Inya Lakes and the Man-Yar-Pyai (Mandalay Centenary) week at Mandalay.

Some of the stage plays, performed by the Stage Section were entitled: "*Kyai-ta-bwint*" (A White Star); "*Ludu-Arnar*" (The Power of the People); "*Dai-wadhamma*" (The Law Of The Gods); "*Aumg-myci-thar-san*" (Enjoyment of the Land Won); "*Hnoun-woot-ka-lut-khai-bye*" (Freedoms from Fetters); and "*Wun-dan-lan-nyun*" (Guide to Civic Responsibilities).

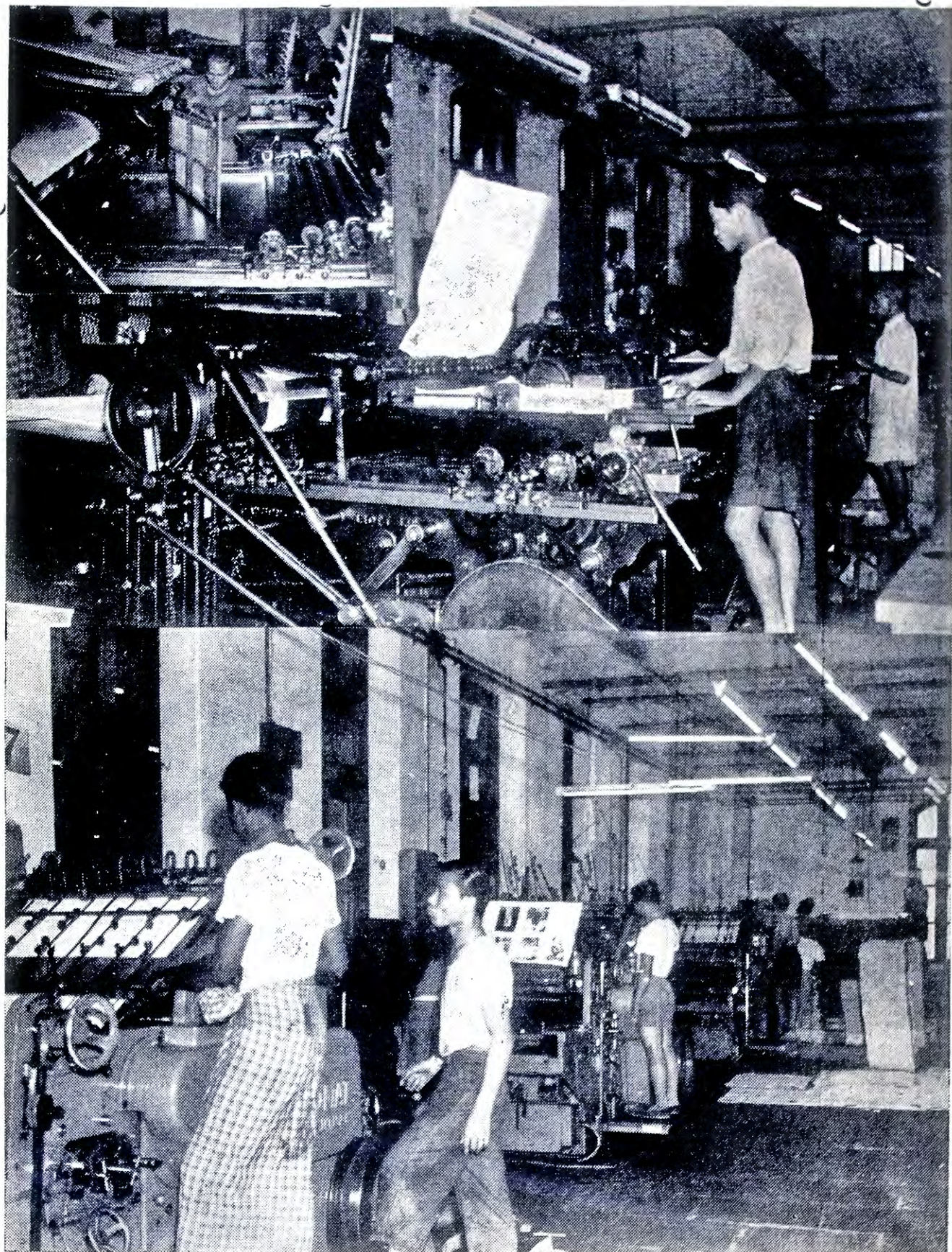
The themes of these stage plays were to develop and foster a sense of citizenship in the people; to vigorously instil inspiring democratic principles and ideas in the people; to inspire the people with moral rearmament and self-confidence; to urge promotion of better means for the progressive reconstruction of the national economy in commerce and industry; and to urge successful implementation of the rehabilitation projects of the Government.

A Statement of the Progress in the work of the Films and Stage Department for the period between November 1958 and December 1959 prepared for Comparative Study.

	Then.	Now.
Number of Films Produced ...	27	39
Number of Copies released ...	274	347



Linotype and Monotype machines, Mechanical Composing Section, Government Printing Press



Hand-fed printing presses and modern automatic printing presses of the Government Printing Press



Hand composing and binding rooms, Government Printing Press

	Then.	Now.
<i>Number of Cinema Shows Given—</i>		
The Headquarters Film Units	538	649
The Joint Film Units ...	Nil	527
The District Film Units ...	2,518	2,980
Stage Plays performed by the Stage Section ...	76	115
Number of Districts and Regional areas covered by the Film Units and Stage Section ...	234	293

IV. Government Printing and Stationery Department

The Government Printing and Stationery Department has played an important part, like other Government Departments, in endeavouring to strengthen the smooth running of the administrative machinery in the Caretaker Government's drive for the restoration of law and order in the country.

The present Government has given priority to the printing of such publications that are essential for the efficient functioning of the administrative machinery, such as the printing of Acts, Manuals, Rules and Regulations and others.

The following statement will indicate the progress made in the printing of these publications during the period of tenure of the Bogyoke Government:—

<i>Publications.</i>		4-9-57 to 31-10-58.	4-11-58 to 31-12-59.
Kinds	...	125	203
Copies	...	115,815	311,895

Copies of some of the manuals, of about 500 pages each, range from 10,000 to 20,000.

The above statement does not include periodicals, forms and other publications

of an important and urgent nature, a few of which are listed below:—

	Pages.	Copies.
1. Voters lists of nine constituencies ...	4,334	555
2. Union of Burma Economic Seminar ...	242	6,500
3. GUB 1958 November—1959 February ...	178	8,000
4. The Open Mind, monthly, Vol. I, Bk. 1 ...	248	5,000
5. The Open Mind, monthly, Vol. I, Bk. 2 ...	218	5,000
6. <i>Pyidaungsutha</i> , Fortnightly ...	...	35,000
7. <i>Dhammantaraya</i> in Burmese ...	...	3,50,000
8. <i>Dhammantaraya</i> in English ...	...	10,000
9. Confidential Report on work and conduct of Govt. servants, Forms (A) & (B) each ...	...	200,000

Several kinds of National Registration forms were also printed at an average rate of about four lakhs copies per month as scheduled.

Not only the quantity has arisen, as stated above, but there has also been a marked improvement in the standard of printing.

At present, the press can produce a book of 300 pages within a month's time without much difficulty. The increase in quantity and the improvement in quality is mainly due to the additional strength of modern printing machineries, especially mechanical type setting machines; and also to the efforts of the industrial hands engaged in the various shifts.

With the installation of the new rotary presses and the engaging of industrial hands on an overtime basis in the Jail Branch, Insein, the quantity of standard Guard Books forms printed during the period has increased by 70 per cent as compared to that during a corresponding period in the previous year.

For the first time this press has been able to undertake printing of the electoral list of the nine constituencies of Rangoon for the 1960 General Election within the scheduled time. This effected the saving of about K 28,000, if the printing had to be performed by outside printing presses.

This press has also undertaken the task of farming out to local presses for the printing of several millions of National Registration Forms and has been able to effect a considerable saving in the expenditure of the Government by the supplying of stereo plates for the printing of these forms.

Many other urgent printing works, including Trade Agreements and confidential matter from the Foreign Office and various Government Departments have also been undertaken within the scheduled time.

The introduction of mechanical composition has led not only to an increase in production but also to great improvement in the standard of printing. Arrangements are being made for the installation of more mechanical composition and modern printing machines.

V. State Film Promotion Board

(A) INTRODUCTION

The main aim of the State Film Promotion Board, which is administratively constituted as a Government-sponsored Board under the Ministry of Information, is to publicize governmental activities and to provide technical help and co-operation to local private film companies, so as to raise the standard of technical excellence of the film industry in general.

(B) DEFECTS AND SHORTCOMINGS IN THE PAST

Reorganization of the State Film Promotion Board was undertaken during the tenure of General Ne Win's Government in March 1959.

Following a thorough investigation into its working, it came to knowledge that the Board had not been operating in accordance with its avowed aims and objective, *viz.*, to promote the qualitative productivity of

national films, but had, by way of merely prolonging its life, simply been lending itself to the purchase and sale of equipment and materials for the local Film industries on a profit-motive, which is not in conformity with the principles underlying film promotion.

There was much dissatisfaction on the part of the local film companies and the Board became extremely unpopular.

Among the defects and shortcomings in the working of the Board were: poor public relations, lack of experience and technical and managerial skill, and lack of proper maintenance of the Board's equipment.

(C) REORGANIZATION

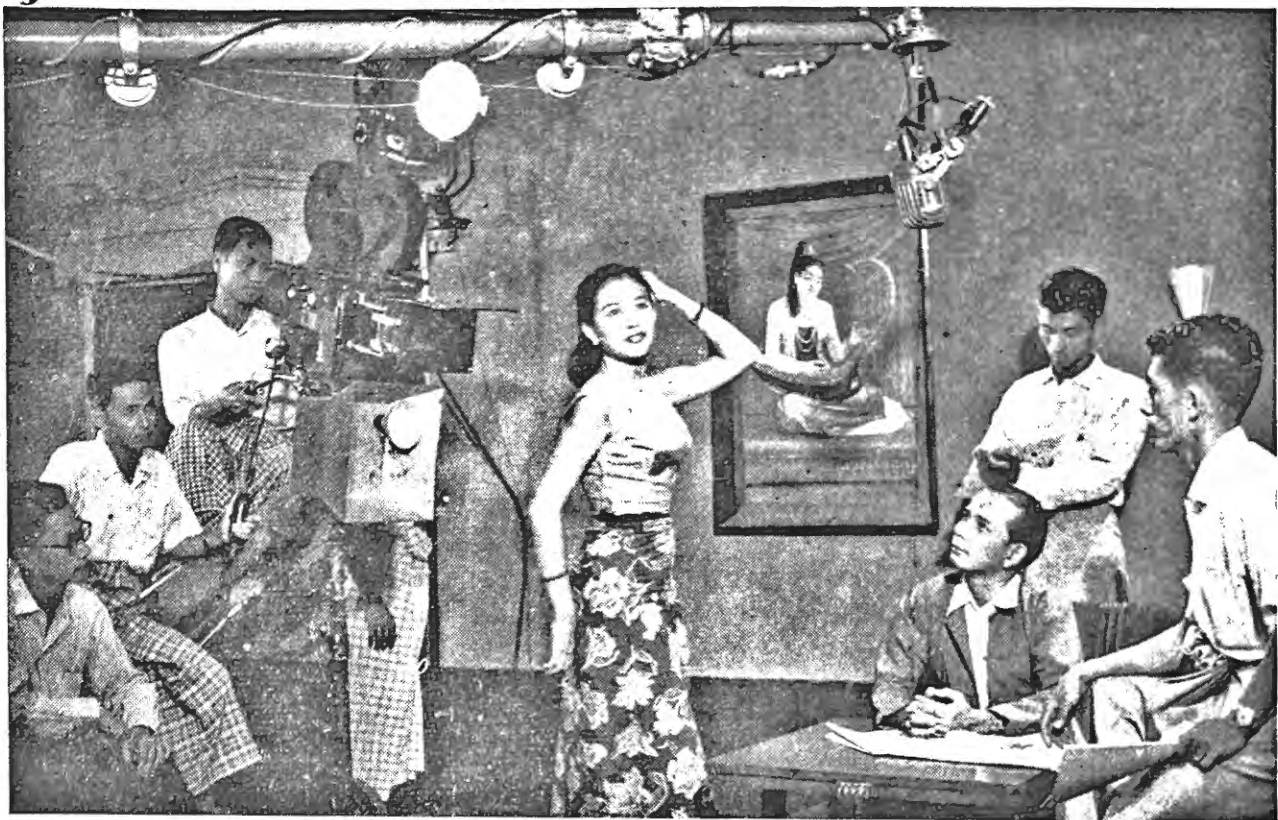
Under General Ne Win's Government, a complete overhaul of the Board was systematically undertaken in all aspects of its functions.

Imports were restricted to film raw-stock only and the business aspect of the Board was confined to the sale of these to film producers at the Government-controlled price.

Hitherto, the Board had even arranged to import radio-receiving sets which had nothing whatever to do with promotion of the film industry.

Every effort was made to satisfy the demand of local film producers for the adequate supply of film rawstock, and it is believed this difficulty over the shortage of film will be overcome soon.

Other measures undertaken towards the smooth and efficient functioning of the Board were enforcement of discipline amongst the staff, maintenance and reconditioning of the machines, removal of technical errors in the system of printing-in of Sub-Titles by the proper use of "cue-sheet," discharge of officials and staff found incompetent and lacking in technical and



Film Star Tin Tin Aye goes through a rehearsal on a set built at the State Film Promotion Board studios

other requisite qualifications, and appointment of a qualified officer to take executive charge of the technical section and other staff; besides effecting many other improvements, technical and organizational, in all the functions of the Board.

(D) PROGRESS

Following its reorganization, the Board has been functioning with less personnel but with more efficiency than heretofore.

In other directions too, the Board has made substantial progress. Film production work has improved quantitatively and qualitatively, and with the confidence of the local film enterprises restored, the Board has had to undertake during this year the production of four films on their behalf.

The Board is currently engaged in making newsreels for public exhibition throughout the country. It is a matter for satisfaction that the standard of the Board's

recent filming of the 12th Independence Anniversary Celebrations was commended by the local press and cinema public as well.

As a measure to step up the work of promoting film interests still further, the Board has planned ways and means of procuring for the benefit of the local film industries, essential film equipment and raw-materials at the lowest possible price.

The Board has also under contemplation a plan to help small indigenous film companies with the production of films, by the lending of the services of its technical staff, as well as equipment, on comparatively low charges.

The Board fully recognized the urgent need for the Government of the Union of Burma to consider the local film enterprises as an indigenous industry deserving of governmental aid as other local industries. Proposals to this end have already been submitted to the Government through the Ministry of Information for consideration.

Formation of public opinion through films is rightly regarded as an essential service of mass communication.

If the capacities of the Board should be developed and be used with that moderation and good sense appropriate to a democratic society, the ultimate objective of the Board as an effective organ of the Ministry of Information will be fulfilled in the immediate future. No democratic government can afford to neglect at any time a means of public information so far-reaching and so persuasive as the film.

VI. Union of Burma Board of Film Censors

(A) POLICY

Under the Government of General Ne Win, the Board of Film Censors, for the first time in its history, enjoyed the fullest confidence and support of the Government and freedom of action.

The Board now functions with full powers to make any decision that is considered best without fear of having its decision reversed or altered by the Government unnecessarily.

The policy regarding the composition of the Board was also changed and, consequently, there is no person serving now on the Board who has any affiliation or allegiance to any political party.

(B) CINEMA HALLS

There has been a marked improvement in the general standard of halls, especially, in cleanliness and comfort.

A small committee was set up for this task and it inspected not only the halls but also the stalls housed in their premises. Fumigation of halls against bugs and insects, improved sanitary facilities, stricter enforcement of conditions on usage of exhaust fans and seeing that flyproof wire netting are installed in all refreshment stalls attached to the halls are but some of the items achieved by this committee.

Furthermore, Rangoon, for the first time can now boast of a fully air-conditioned cinema. The installation in four others also is expected to be completed very soon. This is the result of encouragement and assistance given by the Government for the comfort of cinemagoers.

One other achievement that must be mentioned under this paragraph is the reduction of rates of admission to cinemas.

It will be remembered that one of the avowed aims of the Bogyoke Government was to bring down the cost of living. In carrying out this promise, the high rates of admission to the cinemas were not overlooked also.

Now, an evening at the cinema is no longer a monetary burden to the low income bracket person, even if he wishes to take his whole family out.

Last but not least, cinema audiences have now been relieved of smoke-filled halls with the introduction of the Prohibition of Smoking Act. With the passage of this Act, the public can now enjoy a film under better hygienic conditions than before.

(C) FOREIGN EXCHANGE CONTROL

One important achievement that the Film Censors Board had been instrumental in bringing about a stop to the illegal drain on our foreign exchange reserves, by adopting a stricter control over remittances of box office earnings in foreign exchange.

The remittance abroad of the income received from exhibiting foreign films in Burma through various and dubious means had been a racket with certain exhibitors in the past. Many attempts were made to put a stop to these malpractices but had not been effective.

It was only under the present Government that serious attention was paid to this matter and effective measures adopted based on the information and data provided by the Film Censors Board.



U Chit Thoung, Minister

Ministry of Union Culture

The various departments and councils under the Ministry of Union Culture include the following:—

1. *Directorate of Archaeological Survey.*
2. *State School of Fine Arts, Music and Drama.*
3. *Cultural Institute (National Library, National Museum and National Art Gallery).*
4. *Union Cultural Council.*

General Ne Win's Government has undertaken not only administrative, economic, health and educational matters but also the promotion of national patriotism and solidarity as a top priority. The Government has, by organizing the celebrations of the National Days, encouraged the citizens of the Union to be patriotic, owe allegiance to the Union and possess the most refined qualities of a nation.

National occasions such as the National Day, Independence Day, Union Day, Resistance Day and Martyrs' Day have been celebrated in a more orderly manner and with greater success and increased participation by the public than in any of the previous years, and it helps to engender the national solidarity.

In order to promote cultural and friendly relations with foreign countries, dancing, musical and acrobatic troupes from the United States of America, Czechoslovakia, North Vietnam, West Germany, the Soviet Union and the People's Republic of China, were invited by the Government and public shows were staged for the benefit and entertainment of the people. Three Cultural Missions including prominent and well-known Burmese dramatists and dancers were also sent to the United States of America, the People's Republic of China and North Vietnam.

I. Directorate of Archaeological Survey

Among the outstanding works done by the Directorate of Archaeological Survey during

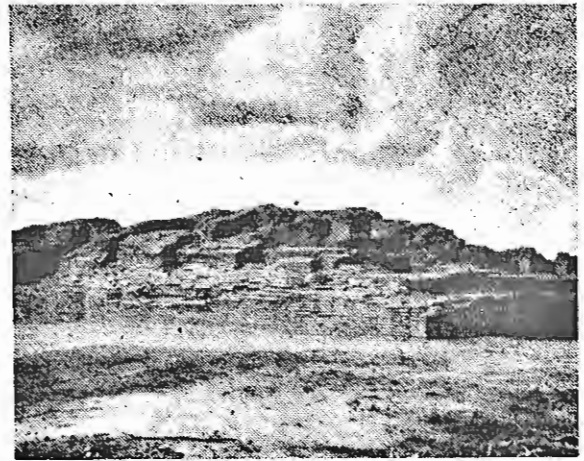
the term of office of General Ne Win's Government, first mention must be made of the successful excavation of a large mound on the site of the old city called Vishnu, situated a little to the north of the Magwe-Taungdwingyi road.

The excavation conducted scientifically under the supervision of a trained hand was the first of its kind in the annals of this Department. It exposed a huge brick building, 96'6" \times 34'8", with an entrance hall, a long corridor, and eight inner rooms, with evidence to show that it originally had an upper storey, and a verandah around.

Among the important finds made at the site are two seal impressions on dried clay with writings in Gupta Script, a square stone tablet or seal with delicate floral and other designs, some terracotta and semi-precious stone beads, some iron bosses and nails, and a good deal of pottery. All the datable materials indicate that the building,

as well as the finds, belong to a period, 500—800 A.D. contemporaneous with Sri Kshetra. They reveal an aspect of Pyu culture and civilization, opening thereby a fresh line of study and research.

The next new venture of the Department during the period under review is the successful holding of "Pagan Week".



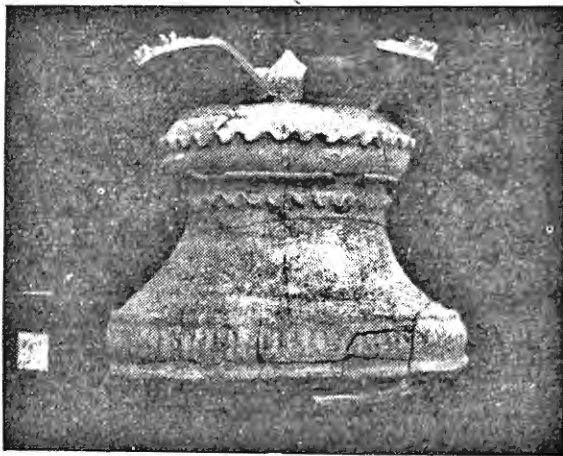
Brick structure at scene of archaeological find near Taungdwingyi (ancient Peikthano-myo.)



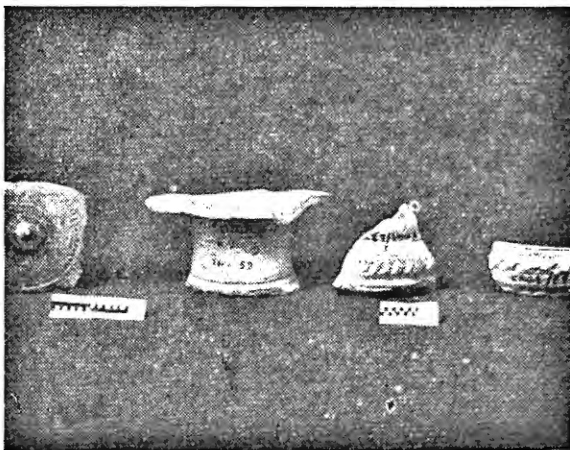
Archaeological excavation begins at brick structure of ancient Peikthano-myo (Vihnupura) near Taungdwingyi



The front of a seal, a valuable archaeological find



Ancient vase unearthed at Peikthano-myo excavation

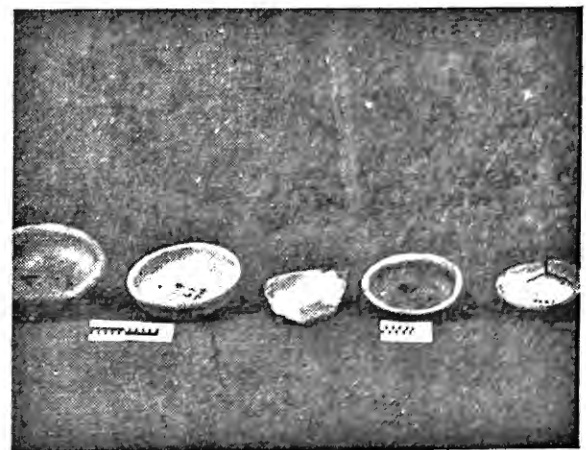


Ancient pottery at excavation

Previously, so many people severally sought the assistance of the Department for visits to Pagan that the Department decided for the benefit of such people to organize a week of conducted tour to all the important sites within the Pagan area. About fifty people from all walks of life, including some students, took advantage of the organization, and the Departmental officers arranged for them not only guided tours but evening lectures and discussions as well on Pagan history and culture. The week was held from the 4th to the 10th April, 1958.

Other important accomplishments of the Department during the period under review are the successful completion of monographs on "The Paleography of Burma," "Jambupati of Bodhisatta Terracotta Plaques" and "The Musical Instruments of Burma" and of the re-decipherments and retranscriptions of the earliest Mon and Burmese inscriptions. The transcribed inscriptions are to be arranged in chronological order and published with notes and translations where they are not in Burmese. All the works now remain only to be printed in proper form.

The Department also made its valuable contribution to the successful holding of "The One Hundred Anniversary Celebrations of the Founding of Mandalay," and the Golden Jubilee celebration of the founding of the Burma Research Society.



Earthenware saucers found

(A) INDIGENOUS CULTURAL SECTION

The Indigenous Cultural Section, attached to the Directorate of Archaeological Survey, constituted by the Union Government, is responsible for research work on cultural activities of the indigenous races of the Union of Burma.

The function of the Department includes:—

- (a) General Survey (Touring).
- (b) Research on local dialects, languages, customs, manners, traits, beliefs, primitive religion, primitive history, and also primitive culture of the races.
- (c) Recording of folk songs and music.
- (d) Collection of folk tales, songs, manuscripts, books and pamphlets.
- (e) Photographing of dances, instruments, dress and cultural activities.
- (f) Publication and compiling of report and books.

The research work of the section comprises the preparation of an increasingly large number of photos, books, etc.

A plan has been mapped out for the "Photo Exhibition of Races of Burma" to be held in the month of December. The results of the research work on dances of Burma, which was started since 1956 will be published not later than November 1959. This book will include about 200 photos and 200 pages.

According to the programme, a general survey is to be made at least once a year and during this year the head of the section visited the Kachin State to study the Manao Festival and culture of the races of northern Burma.

As a result of experience gained during these tours, the head of the section did valuable research work, in connection with

the forthcoming publications: Dances of Burma, Races of Burma and Manao Festival.

(B) ANCIENT MON LITERATURE AND CULTURAL SECTION

The section of Ancient Mon Literature and Culture has collected and copied the ten great Jatakas in Mon language from old manuscripts. These ten great Jatakas have been carefully edited in comparison with Burmese version. Steps are being taken to publish all the ten books as soon as possible.

The events during the reign of Razadirit, in Mon, which was published in Parklat, Thailand, in 1272 B.E. has been translated into Burmese for publication in due course. In the compilation of a Mon-Burmese Dictionary under the guidance of an advisory committee, about a third of the work has been completed.

This section has also collected and copied a number of ancient Mon manuscripts comprising 550 Jatakas, folk-tales, historical poems and folk-songs. These manuscripts are being edited for future publication.

This section has collected the transcriptions of almost all of the medieval Mon inscriptions and translated them into Burmese.

Some old Mon glossaries with equivalent modern Mon spellings are also collected for adding to the Mon-Burmese Dictionary.

This section has played an important part in holding the Mon Cultural Research Exhibition and the organization and management of the Mon Cultural Show, which performed both classical and modern Mon music, dances and historical dramas during the Mon Affairs Conference held in Pegu in February 1959.

II. State School of Fine Arts, Music and Drama, Mandalay

As far as the State School of Fine Arts, Music and Drama, Mandalay, is concerned, the institution always looks forward to raising the standard of budding young artistes, by means of developing their natural talents while at school and at the same time providing that training to improve the way they may lead their life when they leave the school.

During the period under report special attention was given to disciplinary measures of both the staff and the students of the institution. Specific instructions have been issued for the teaching staff to see that their pupils attend classes regularly with precise punctuality. At the same time, the members of the staff have been compelled to sign in the Daily Attendance Register stating times of arrival and departure in accordance with the instructions contained in the Ministry of Home Affairs' Circular No. Ba-252/O.-1 of 19th November 1958.

The students as well as the members of the staff of this institution not only take similar instructions whole-heartedly but also come forward to participate in the city-cleaning campaigns together with the army and the civil officers of various other departments, whenever they are required to do so.

In addition to similar public activities and the general routine work of the practising classes, the school dramatic troupe made extensive tours several times to northern Burma *via* the Shan State by motor-cars. Performances were given at the last Kachin Manao festival, as well as at various places in the Kachin and the Shan States.

The performances were generally shown to both army personnel and the public and the entire campaign was considered to be very successful throughout, although the

troupe is basically only a small self-supporting unit of the school.

School discipline is one of the chief elements that makes a school earn its reputation. Students are always to be trained in such a way that they will be easily adaptable to the discipline of their employers after leaving the school. This proved out very well when many of the students who completed their studies in March 1959 received appointments in various dramatic troupes.

The school is still lacking buildings for practising classes. The whole area of the school compound, which is about 14 acres, was an entire lowland before it was acquired by the school. It has been reclaimed gradually by the staff of the institution since long ago.

But to complete this reclamation work, by themselves, would be an awful task had the present government not come to power. There was no financial provision for the purpose and to have it done by a small number of servants would have taken years.

Now, the whole area which, in previous years, was usually under water for a few weeks during the rains, has been filled with sandy silt residues, syphoned out by a dredger from the moat in front of the school. This reclamation work is being carried out by a Burma Engineers' unit of the Burmese Army, as a result of which the ground level of the compound, where the main building of the school and the open air theatre are situated, has been raised by 14 inches at the time of writing this report. The entire credit should go to the Burma Engineers of the Burmese Army for this valuable work.

It would have cost, at least, K 10,000 had it been done by the school itself. This work commenced in the third week of June 1959 and it is expected to be completed in August.

III. Cultural Institute National Library, National Museum and the National Art Gallery

A definite site, *i.e.*, between Pagoda Road, Simpson Road and U Wisara Road, for the proposed Cultural Institute which includes, the National Library, National Museum and the National Art Gallery, has been successfully selected by the Ministry of Union Culture. At present a plan for the proposed Institute is being drawn by a well known local architect.

In accordance with the Press Registration Act of 10th July 1959, 1,122 copies of Burmese books and periodicals published in the Union of Burma have been obtained to date. This clearly shows a distinct acquisition of over 1,000 copies of Burmese books over the past year.

During the year under report, the Bogyoke Aung San Museum was set up at Tower Lane, Rangoon. All necessary staff have been appointed, the required Museum exhibits were purchased from Mrs. Aung San, and all necessary pre-arrangements made for the opening of the Museum soon.

In spite of various difficulties, due to financial stringency in obtaining required National Museum exhibits, there has been a distinct increase in the number of visitors.

The increase over the previous year is approximately 10,000 persons.

Another distinct improvement has been the removal of the Sihasana Throne from the President's House to the Cultural Institute. During Pardawmu Day (November 22, 1959) thousands of visitors, visited the Cultural Institute to pay homage to the Sihasana Throne.

IV. Union Cultural Council

Before the regime of the Bogyoke Government, the State Music and Drama Section, consisting of 39 members, which is under the control of the Union Cultural Council, Ministry of Union Culture, usually performed its shows at all State functions. With the coming of the Bogyoke's regime its activities have not been confined only to State functions, but have been expanded for the entertainment of the general public, especially in the City of Rangoon.

As such, public performances were made at Bandoola Square, Thakin Mya's Garden at Ahlone, Yankin Football Play Ground, and at the middle island of the Royal Lakes on Independence Day (1959). Up to date, 80 cultural shows have also been performed at various other places in Lower and Upper Burma.



U Lun Baw, Deputy Prime Minister

Ministry of Social Welfare, Religious Affairs and Relief and Resettlement

The various departments under the jurisdiction of this Ministry include the following:

1. *Social Welfare Department.*
2. *Board for the Care and Vocational Training of Disabled ex-Servicemen.*
3. *Directorate of Religious Affairs.*
4. *International Institute for Advanced Buddhistic Studies.*
5. *Pali University and Dhammacariya Department.*
6. *Union Buddha Sasana Council.*
7. *Central Relief Supply Supervisory Board.*

I. Social Welfare Department

The Social Welfare Department continues to focus its main attention on family welfare by solving social problems arising from within the family as well as from the environment.

Helping families in their adjustment to newly settled areas, distribution of relief supplies to the disaster-stricken, mobilizing the community's resources in men and materials for the community's betterment as well as helping individuals with their social problems are just a few examples of the nature of work of social workers operating in villages, towns or outlying frontier areas.

Regarding day-nurseries, each Rangoon Centre provides service to as many as 100 children. Some of these day-care centres have developed into Community Centres with manifold activities for young people, mothers' clubs, and adult education programmes.

The Probation Section of the Social Welfare Department has assisted the Juvenile Judge in conducting investigation of as many as 60 cases, while some 220 boys and girls have been accommodated in the respective voluntary homes.

Activities for young people at the Community Centres and the interest shown by Solidarity Associations in the

maintenance of law and order have produced encouraging results in controlling both juvenile delinquency as well as prostitution.

Counselling and advice and sometimes material help from voluntary agencies are given to families with social and economic problems, and children of ailing mothers, or from broken homes are cared for at the Residential Nursery. Congenitally handicapped children are also cared for at this residential Nursery, apart from the deaf and dumb and blind and crippled children who are looked after elsewhere.

Facilities and services for rehabilitation of the handicapped, according to the provisions of the Employment of Disabled Person's Act are now being extended to cover civilians, war veterans and children; they are being taken care of at the Thamaing Rehabilitation Centre.

With the opening of the Medical Section, this Rehabilitation Centre has become a well-knit unit. The Council for the Blind is also making arrangements to open a Home for the Adult Blind.

The Department has made contributions to voluntary institutions in cash as follows: K 89,890 to institutions caring for the Blind, Deaf and Dumb; K 6,757 to Homes looking after children who are in moral dangers; K 1,29,960 for the homeless, destitute and orphaned; and K 4,720 towards caring for girls, who otherwise might have gone astray.

II. Board for the Care and Vocational Training of Disabled ex-Servicemen

With a view to rehabilitating disabled persons, especially ex-servicemen, the Ministry formed a board called, "Board for the Care and Vocational Training of Disabled ex-Servicemen," in August 1954.

This Board immediately acquired a piece of land of about 51 acres at the Thamaing Road junction near Kyaikkasan Pagoda,

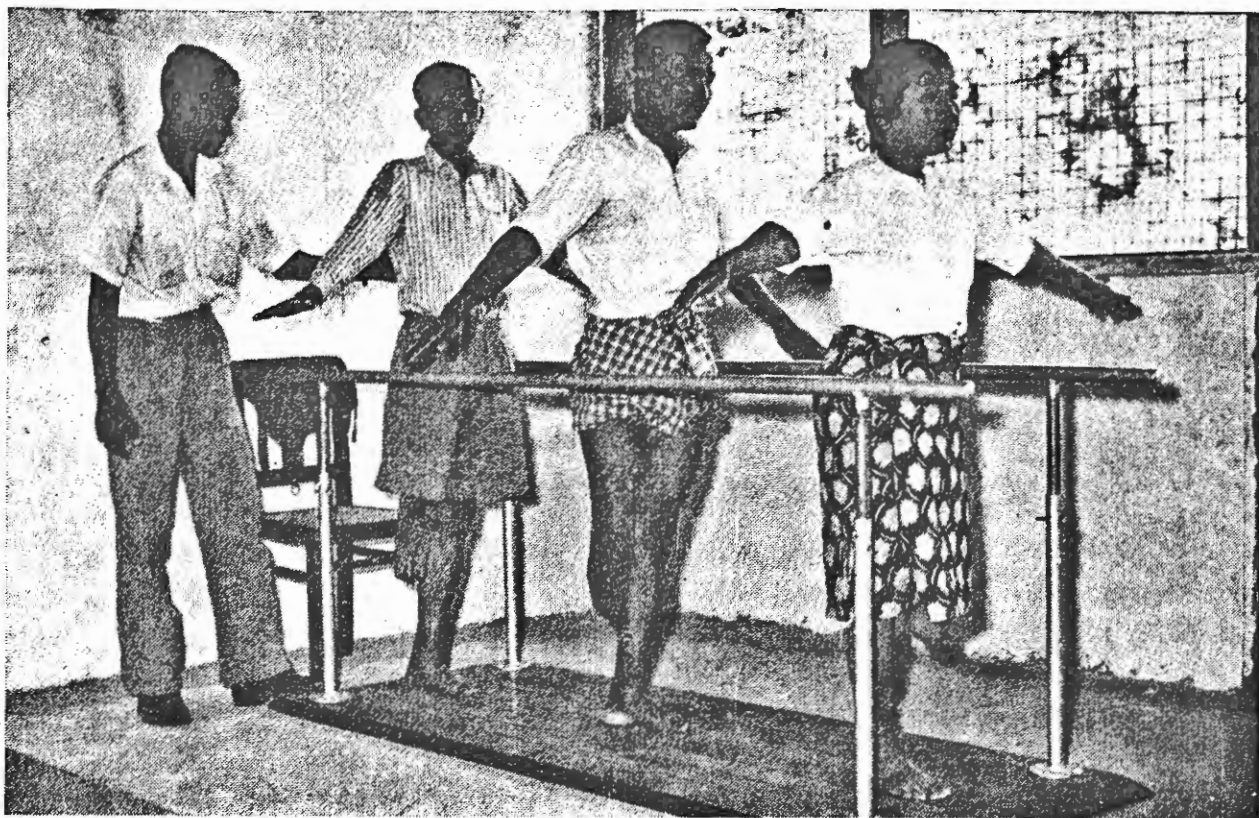
and constructed suitable buildings on it. Starting from September 1955 ex-Servicemen, disabled while serving either in the revolutionary forces, such as the Burma Independence Army, Burma Defence Force and PBF or in the present Burma Army were admitted to this centre for vocational training.

Up to this time, this centre has been (concerning itself) mainly with vocational rehabilitation. However, it has been the desire of the Government to establish a comprehensive rehabilitation programme.

The Government contributed a sum of Kyat 18 lakhs to be utilized in the construction of various buildings, such as a hospital, vocational workshops and artificial limb shops, road construction, installation of a water supply system and the maintenance of vocational trainees and their families. The opening ceremony of the Hospital building was held on December 18, 1959, by the Deputy Prime Minister.

A team of five trainees consisting of a physician, a nurse, a physiotherapist, a social worker and a prosthetic technician, who have completed their training in foreign countries, are being assigned to the centre for management of this hospital. The primary objective of this hospital is to provide a comprehensive medical rehabilitation programme to our physically handicapped population; thereby making each individual independent and thereby to restore to him his self-respect and dignity.

Under the 1958 Disabled Persons Employment Act recently enacted by Parliament a new Board has been appointed. Under this Act, the services of this centre will be made available to the disabled civilian population, including both children and adults. Priority for admission and treatment will, however, be given to disabled ex-Servicemen.



Therapist supervises balancing exercises of leg-amputated patients preparing for artificial limbs (Thamaing Rehabilitation Centre)

III. Directorate of Religious Affairs

(A) GENERAL RELIGIOUS AFFAIRS

Prompt official action has been undertaken by the Department against the authors and publishers of the books entitled "Buddha-raja-Theruppatti" and "Luthay Lu-phyit," as these were considered sacrilegious by all Buddhists.

The Bogyoke Government took all effective measures to expose the dangers to the Dhamma by the Burmese Communists and their activities regarding the desecration of pagodas, killing of monks and blasphemy of the Buddha's teachings.

(B) DHAMMA VINAYA ORDER

Effective steps have been taken towards implementation of the Dhamma Vinaya Order regarding the proper behaviour of Buddhist monks.

Valuable help and co-operation has been provided by the Department regarding the

registration of the Sangha under the National Registration Act of 1949.

Repeated requests in the past have been made to the Sangha of the Northern Shan State to nominate representatives to serve on the Committee to draw up a Sangha Council Bill, but without avail. During the Bogyoke Government, however, nominations have been duly made so as to enable the Department to pursue the work to its successful conclusion.

(C) BUDDHIST EDUCATION

Commencing from this year, lessons in Buddhist scriptures are being taught in all State schools and special examinations are being conducted.

To all deserving monasteries throughout the Union, a set of *Tripitaka* each have been offered. The total number of such sets offered during the period amounts to 1,727.

(D) VINICCHAYA THANA ACT

One of the outstanding achievements during the period was the establishment of 16 permanent *Vinicchaya Thanas*, 9 temporary *Vinicchaya Thanas* and the nomination of 448 *Vinicchaya Thana Sayadaws* in areas formerly exposed to unsettled conditions. Certificate presentation ceremonies to *Vinayadhara Sayadaws* have been held in 30 Districts.

IV. International Institute for Advanced Buddhistic Studies

(A) POLICY

International Institute for Advanced Buddhistic Studies has been set up in connection with the advanced studies in Buddhistic culture, psychology, philosophy and religion. Its aim is to bring better understanding between various religions and cultures.

(B) PROGRAMME AND PLANNING DIVISION

Works achieved during the Bogyoke Government in comparison with that of the preceding year:

<i>Lectures.</i>	1958-59	1-11-58 to 12-31-59
1. Comparative religion ...	<i>Nil</i>	73 times.
2. Buddhistic Studies ...	60	100 „
3. Philosophy (Indian and Western) ...	26	64 „
4. Buddhist Culture ...	<i>Nil</i>	78 „
5. Pali ...	46	73 „
6. English Language ...	<i>Nil</i>	95 „
7. <i>Abhidhamma</i> ...	15	55 „
8. Canonical and Textual Studies ...	12	38 „
9. Traditional Buddhism (in Burma) ...	<i>Nil</i>	144 „

The Institute has proudly presented a publication this year which was the compilation of radio talks by different Divisional Heads—"Activities of the International



Functioning of the hands of a patient with a disabled left hand resulting from gunshot wounds is tested day occupational therapist

Institute for Advanced Buddhistic Studies, September, 1959."

It is contemplated that some important publications will be launched in connection with the works of Scholars in the form of theses and textual studies of Buddhist Teachings in due course in the name of the Institute.

(C) RESEARCH AND TRAINING DIVISION

The lectures and seminars attended by the scholars are already shown in the Programme and Planning Division report. The Special Research Scholar has completed compiling a Buddhist Canonical Pali Grammar and Composition for international use.

The theses to be submitted are: (1) on the history of Burmese Buddhism with the background of the history of Buddhism in general, (2) on selected *suttas* from the texts, that will represent the main teachings of the Buddha with the general background of Pali texts, (3) on the application of Buddhism in daily life with the general background of *sila*, *samadhi* and *panna*.

(D) LIBRARY DIVISION

Technical works as shown below was accomplished during the Bogyoke Government :

<i>Works accomplished.</i>	1957-58	1-11-58 to 31-12-59
1. Acquisition—		
English books ...	621	528
Burmese books ...	430	341
Periodicals ...	152	261
2. Accession—		
English books ...	4,403	5,110
Burmese books ...	1,549	2,074
Periodicals ...	1,215	1,506
Inscriptions ...	200	200
3. Technical Works—Full Cataloguing—		
English ...	560	120
Burmese ...	430	341
Periodicals Indexing ...	152	261

The Library has taken steps in defending the Dhammantaraya by collecting Religious and Cultural Books and helping the research workers in these fields.

(E) MUSEUM DIVISION

The following works have been accomplished during the Bogyoke regime:

<i>Works accomplished.</i>	1957-58	1-11-58 to 31-12-59
Accessioning—		
Photographs ...	513	773
Objects ...	60	133
Collection of Ancient bronze and iron images—		
Ancient wooden, stone images, calcite, stone and clay images	<i>Nil</i>	25
	<i>Nil</i>	53
Acquisition—		
Photographs ...	731	1,024
Objects ...	61	216

Future programme of the Museum includes installation and use of electrical visual aids.

(F) RARE BOOKS AND MANUSCRIPTS DIVISION

Works achieved during the Bogyoke Government are shown against that of the last year:

<i>Technical works.</i>	1957-58	1-11-58 to 31-12-59
1. Acquisition of Manuscripts	750	2,107
2. Accessioning ...	153	224
3. Cataloguing ...	340	123
4. Indexing ...	<i>Nil</i>	380
5. Chronological Order Cards	<i>Nil</i>	598
6. Transcribed Roman Character (Titles).	<i>Nil</i>	924
7. Classification of Manuscripts according to Pali, Nissaya and Burmese translations (with dates).	<i>Nil</i>	1,392
8. Notes on <i>Parabaiks</i> ...	385	290
9. Acquisition of <i>Parabaiks</i> ...	664	11

Classification of manuscripts are to be made according to the *pitakas* in the form of Pali, Nissaya and Burmese translations. Two kinds of catalogue cards will be provided, one in Burmese and the other in English. Steps have been taken to

compile a catalogue of rare manuscripts and to print the unpublished manuscripts acquired by International Institute for Advanced Buddhistic Studies.

In spite of obstacles and difficulties that a new venture is liable to encounter, the International Institute for Advanced Buddhistic Studies has made steady progress during these years.

V. The Pali University and Dhammacariya Department

The Pali University and Dhammacariya Act was presented and passed by the Union Parliament in 1950 in order to facilitate the propagation of Buddha's Teachings and also for the provision of the lecturing Dhammacariya Sayadaws with the Four Requisites.

In accordance with this Act, the Pali University and Dhammacariya Department under the supervision of an Executive Officer appointed under the Act, has been established since 1951. It has been functioning for the promotion and dissemination of the *Sasana* by offering material aid to Presiding Sayadaws and lecturing Dhammacariyas of monasteries recognized by the Central Committee of the Pali Universities and to Dhammacariyas of non-Pali Universities which are constantly giving instruction in the *Dhamma*.

Apart from the all-round improvement in efficiency and discipline in all the departments of the Union Government since the assumption of office of General Ne Win's Government, the following, notable achievements have been made by the Pali University and Dhammacariya Department:

Official recognition of 26 monasteries within one financial year ; offering of aid to lecturing Dhammacariyas outside the Pali Universities ; and implementation of the scheme of the Central Committee of the Pali Universities to eliminate irregularities in the Pali University Examinations.

VI. The Union Buddha Sasana Council

(A) ATTHAKATHA SANGAYANA

As it was originally proposed to hold the Atthakatha Sangayana (Great Recital on the Commentaries) after the conclusion of the Pali Text Sangayana, the First, Second and Third Sessions of the Atthakatha Sangayana were held at which only 34 volumes of the Atthakathas have been recited.

In the Fourth Session of this Sangayana, conducted in the period of the Bogyoke Government, 17 volumes in all have been recited. This represents substantial progress in Sangayana proceedings.

(B) PITAKA TRANSLATION AND COMPILATION OF MAHAWIN

Translation of the Pali Text Pitakas into Burmese and the compilations of the "Mahawin" by Ven. Bhaddhanta Vicitrarabhivamsa have been completed and have been published in book form during this period.

(C) TRI-PITAKADHARA EXAMINATION

During the 12th Tri-pitakadhara (Pali Text Recitation) selection examination, conducted during the month of December 1959, one Ashin Nemeinda of the Maha Visutarama, Pakokku, was able to recite from memory the whole of the Tri-pitakas. He was awarded the title of "Tri-pitakadhara Dhamma Bhandagarika" by the Caretaker Government under General Ne Win.

VII. Relief Supplies

During the period 1958-59 and up to 1960, General Ne Win's Government rendered special aids to villagers who suffered greatly as the result of Army operations, and ordinary aids to those who have become homeless due to outbreak of fire, flood, storm and insurrection.

We may therefore divide these relief measures into two categories as detailed below:

- (1) Special relief aids rendered, due to insurrection.
- (2) Ordinary relief aids given through the Ministry of Relief and Resettlement.

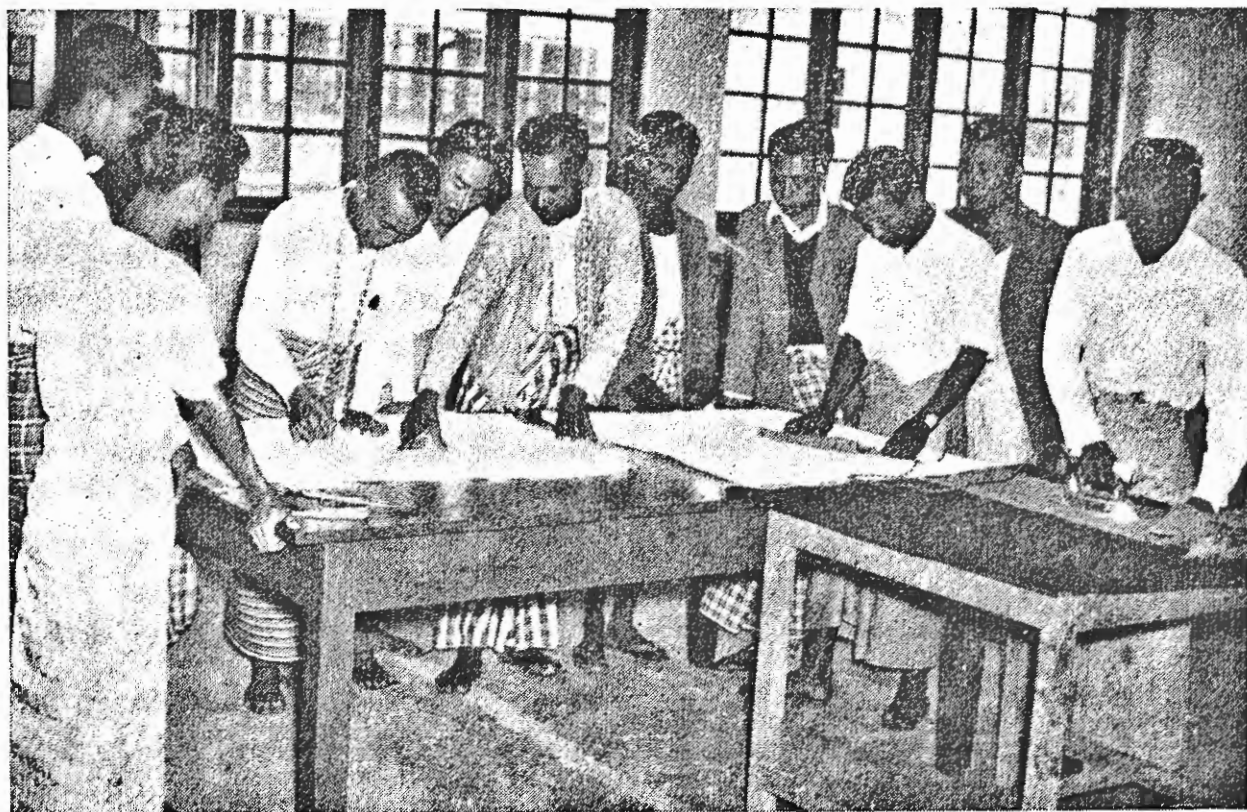
(A) RELIEF DUE TO INSURRECTION

During General Ne Win's Premiership, intensive operations were carried out in order to wipe out the insurrections. In the course of these operations certain villages had to be shifted for safety sake and in so doing a certain amount of loss was incurred by these villages.

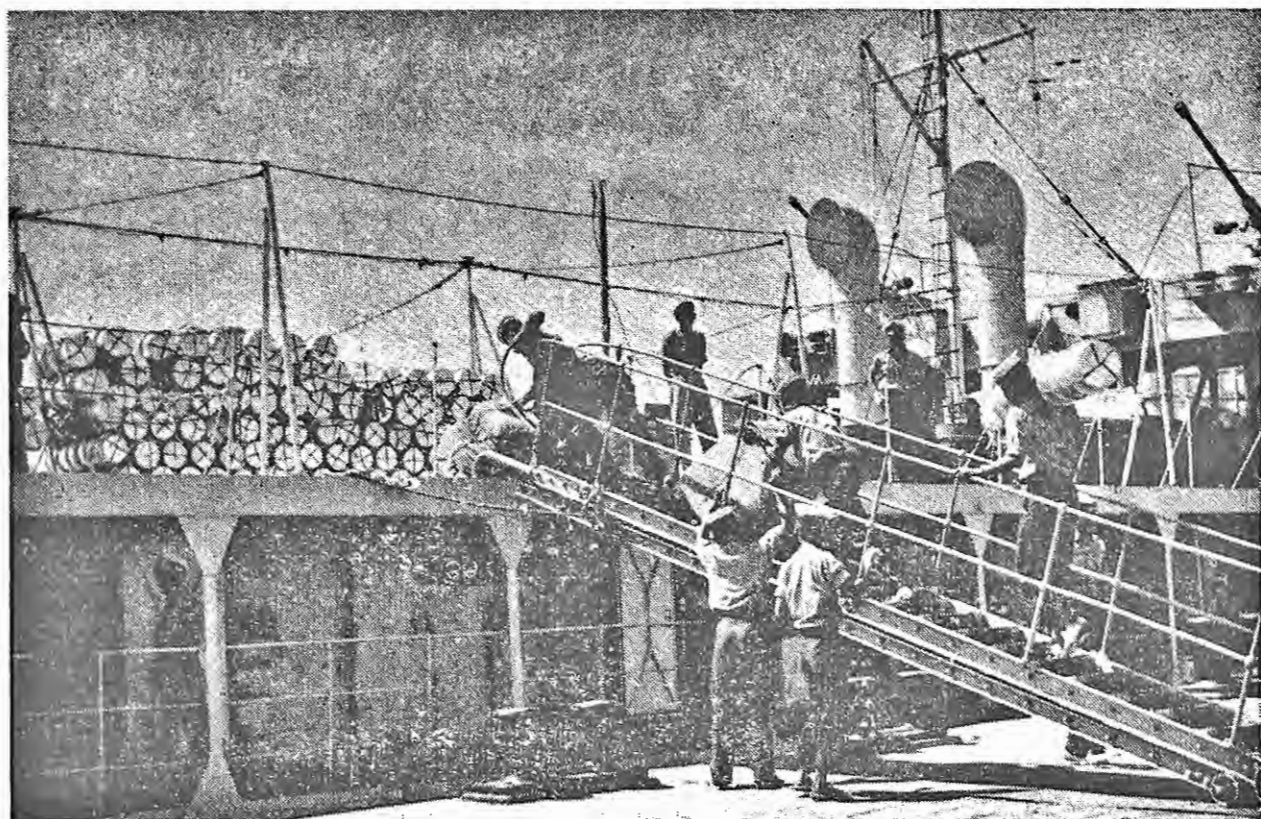
To compensate these losses the Central Security Council formed the Central Relief Supply Supervisory Board.

The aims and objects of this Board is to give proper help to those villages of Toungoo District, Karen State, Thandaung Township, Bassein, Myaungmya, Henzada, Pegu, Maubin and Pyapon Districts which fall within the operational areas of Nos. 2, 8, 11, and 12 of the Light Infantry Brigades and are thus compelled to shift to other safer places. Relief measures to be taken within two months, *viz.*, August, and September.

The villages in Bassein, Henzada, Myaungmya, Maubin and Pyapon Districts, Karen State and Thandaung Township, and towns in Pegu Division and Toungoo District were inspected jointly by the Commissioner, the Commander of Light Infantry Brigade and Deputy Commissioners. Before the actual survey was carried out by the Secretary of the Central Relief Supply Supervisory Board, statistics were obtained from the Divisional and District Security Councils.



Disabled ex-servicemen receive training in tailoring at Thamaing Rehabilitation Centre



Relief supplies for distribution in Arakan being loaded on board the S.S. "Mayu"

After studying carefully these statistics together with the facts collected by the Secretary during his survey, a priority list showing places requiring help and allocation of funds was drawn up. It was decided that the amount of money to be spent for each household should not exceed K 50 and should be spent on the purchase of the following commodities :

- (1) Military mosquito net.
- (2) Men's longyi.
- (3) Printed longyi (Holland).
- (4) White shirting.
- (5) Mudon blanket or woollen blanket.
- (6) Aluminium pots.
- (7) Plates (porcelain).
- (8) Rice.
- (9) Oil.
- (10) Salt.

In order to form three village relief teams, two for the Delta Region and one for Toungoo and Pegu Districts a "Staff Unit" was formed consisting of two Majors from North Burma Command, Officers from Arakan Armed Forces, a few other ranks, Civilian Medical Officers, Veterinary Officers and Staff from the Government Film and Stage Department.

Commodities were purchased from Government Boards only, but in cases where there were no stock and non-availability certificates served, purchases were made locally from other shops.

On August 4, 1959, commodities were sent by "Tain Nyo" boat to areas under the No. 8 Light Infantry Brigade, by "Sin Kan" boat to areas under No. 12 Light Infantry Brigade, by 17 three-ton trucks to areas under Nos. 2 and 11 Light Infantry Brigades, by cars to areas under No. 13 Light Infantry Brigade, by "Mayu" boat to areas under Arakan Armed Forces.



Relief supplies being distributed to Karen inhabitants of Alechaung Village on the Loikaw road



Villagers of Myosa Village (Tantabin area) receive essential relief supplies from the No. 2 Brigade at Toungoo

To ensure that these relief commodities were distributed to those who really required them, the relief team travelled far and wide and from door to door in the rains, using boats, cars and sometimes carriers (coolies) where boats and cars could not be used and in every village, the villagers greeted eagerly these teams with their customary songs and dance.

The total amount of money spent on relief measures of the first category was K 20,10,317·80 as detailed below:

	K
Area under No. 2 LIB (Toungoo District, Karen State and Thandaung) ...	7,37,944·50
Area under No. 8 LIB (Bassein, Myaungmya and Henzada Districts) ...	6,00,322·27
Area under No. 11 LIB (Pegu District) ...	2,20,770·98
Area under No. 12 LIB (Maubin and Pyapon Districts) ...	1,72,623·27
Area under No. 13 LIB (Prome District) ...	15,968·72
Area under Arakan Armed Forces (Akyab, Kyaukpyu and Sandoway Districts) ...	84,255·67
Other areas ...	1,78,432·39
Total ...	20,10,317·80

Sometimes villages already visited and helped by the relief teams were destroyed by flood or storms and the relief teams were compelled to render aid again to these villages and to the neighbouring ones which suffered the same fate.

Mepote and Sisonekone in Toungoo District, Donesarit in Pegu District, Kywee, Pantaw, Kyoungnarsu, Taukyankwin, Luoh, Ahlekone of Tharrawaddy District, were all destroyed by storm. Kyisutaungywa and Myaukywa of Toungoo District and Henzada area were destroyed by flood.

Besides these, rice sufficient for two months has also been sent to the

Commander of the Arakan Armed Forces for distribution to 5,000 refugees who were shifted to places of safety after the Arakan border incidents.

While relief commodities were distributed, medical teams also made a thorough survey of the area under their charge, protected the people against the outbreak of epidemics like small-pox, cholera and malaria, and saw to the water supply and environmental sanitation.

Veterinary teams also attended to the domestic animals of the villages under their charge.

To renovate dilapidated monasteries, churches and schools which belonged to areas where relief works were carried out, the Secretary of the Central Relief Supply Supervisory Board visited the villages under the Light Infantry Brigades, and in front of the Commissioner, the Commander of Light Infantry Brigade, Deputy Commissioner and Village Committee Members distributed funds as follows:

	K
Area under No. 2 LIB ...	52,200
Area under No. 8 LIB ...	35,000
Area under No. 11 LIB ...	20,216
Area under No. 12 LIB ...	25,000
Total ...	1,32,416

During the month of September, a little after these building funds have been distributed, North and South Chetkyisu villages, built recently by No. 2 Light Infantry Brigade were totally wiped out by the Sittang floods. The villages were shifted to safer places and each household given K 50 for the purchase of building materials. The amount thus spent totalled K 16,900. The engineering staff helped the villages in reconstructing the whole village.

The following statistics show by Districts the number of villages, monasteries, and churches which received building funds:

LIB	District	No. of vil- lages which received building funds	No. of monasteries, schools and churches which received building funds			Remarks
			Monas- teries	Schools	Churches	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
No. 2 ...	Toungoo ...	127	14	6	2	Storm.
	Pa-an ...	14	1	1	1	...
No. 8 ...	Basscin ...	330	5	1	3	...
	Myaungmya ...	140	...	4	1	
	Henzada ...	167	4	3	2	Flood, storm.
No. 11 ...	Pegu ...	127	...	4	...	Do.
No. 12 ...	Mauhin ...	41	21	2	3	Do.
	Pyapon ...	6	1	...	1	Do.
No. 13 ...	Tharrawaddy ...	11	...	...	...	...
Arakan ...	Akyab ...	8	...	...	...	...
Armed Forces.						
	Total ...	971	46	21	13	

The relief measures now taken is not like those taken previously by the Relief Department. Although each and every household did not receive aid, yet those households which received aid were satisfied to receive a complete set of commodities costing K 80. We may say that the present mode of distribution has been a very effective one.

(B) RELIEF BY THE MINISTRY

While special aids were given to people who were shifted due to military operations, the Ministry of Relief and Resettlement, through the Commissioners and other civil officers, also helped those refugees whose homes were destroyed by the insurgents, flood, storm and fire, by distributing food, pots, pans, building materials, blankets and clothing. In distributing these materials priority was given as below:

- (1) Rendering help to shift villages which were then within the operational areas.
- (2) Rendering help to villages in reoccupied areas.

- (3) Rendering help to villages which suffered from draught.
- (4) Rendering help to villages whose plantations and fields were destroyed either by flood or insects or by both.
- (5) Rendering help to villages of undeveloped areas in the States—
 - (a) Rendering help to villages of border areas like Kokan, Wa, Putao which had helped the Army during Flag March.
 - (b) Giving as presents to the people of the States various kinds of commodities which they appreciate.
- (6) Rendering help to monks.
- (7) Sending back shipwrecked victims to their destinations.
- (8) Resettlement of ordinary KMT surrendered personnel.
- (9) Helping to remove squatters.
- (10) Rendering help to those villagers who were allotted for resettlement by ARDC.

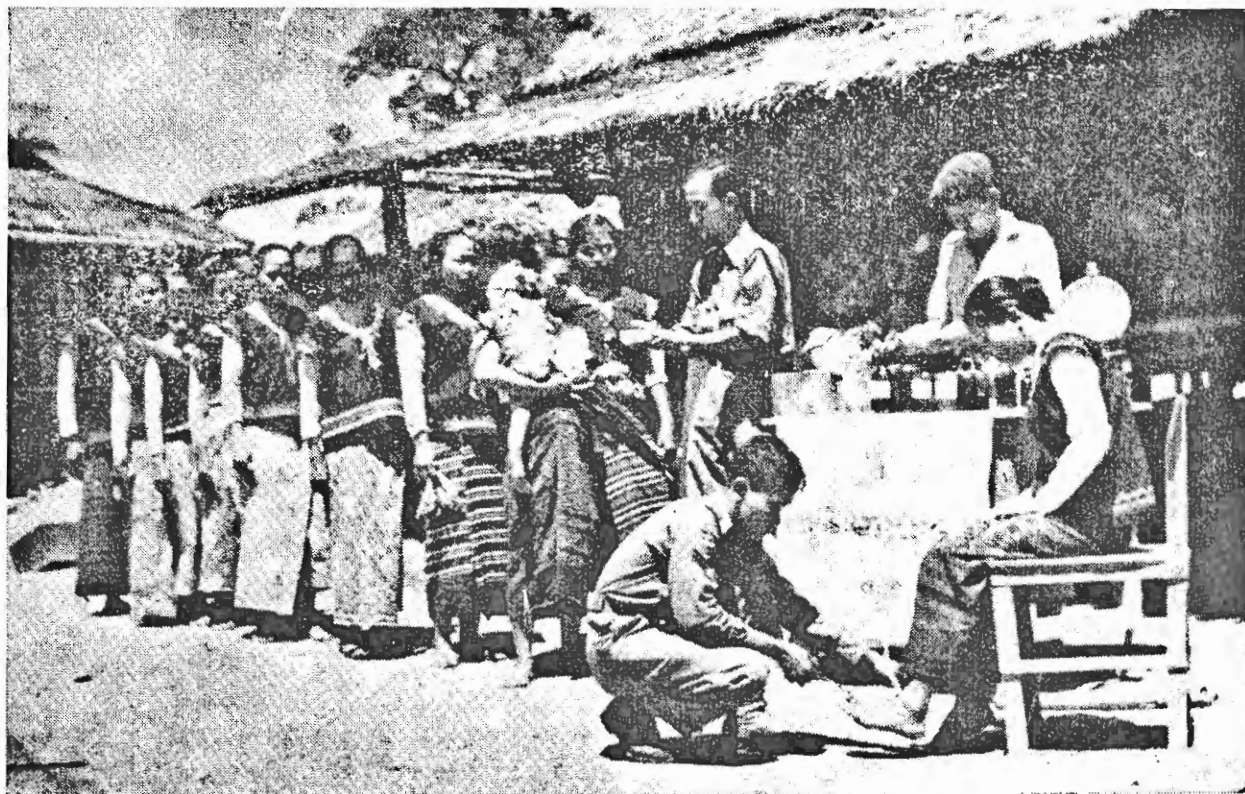
The amount of money spent in the relief works mentioned above is shown item by item below :

	K
(a) For Victims of fire	2,91,080
(b) For Victims of storm	49,425
(c) For Victims of flood	2,960
(d) For areas where there is scarcity of rice due to draught	1,09,146
(e) For feeding KMT surrendered personnel	1,00,000
(f) For resettlement purposes	12,15,796
(g) For giving aid to Okkalapa South and North and Thaketa	1,34,110
(h) For relief measures to be rendered by ARDC	15,365
(i) For giving aid to the poor during Flag March	2,50,652
Total	21,66,935

The amount of money spent in rendering aid to the villages and in relief works is as follows:

	K
(a) Aids to villages	20,10,317'80
(b) Relief and resettlement expenditure	21,66,935'00
Total amount spent	41,77,252'80

During the 15 months of General Ne Win's Premiership the success attained by the Security Council in carrying out its special relief works and the Ministry of Relief and Resettlement in carrying out its routine or ordinary relief works is due to the joint endeavour of the Defence Services and civil departments, which worked hand in hand with a real sympathy for the general public.



Villages in Thandaung area receiving medical relief aid



U Tun Tin, Minister

Ministry of Health

The outstanding achievements in the Medical and Health Services during the period of tenure of the Government headed by General Ne Win are accounted for in revealing detail under the following 30 aspects as conducted under the auspices of the Ministry of Health:

1. New Construction, Addition, Remodelling in Rangoon General Hospital

(1) Opening of Cardiac Surgery Unit in RGH.

(2) Opening of a Separate Cancer Ward in RGH.

(3) Remodelling of Operation Theatres in RGH.

(4) Repairs and additions carried out to damaged parts of the building of RGH.

(5) Extension of Lecture Room in RGH, for pupil Nurses.

(6) Implementation of the scheme for extension of X-ray Building.

(7) Extension of Medical Stores Room.

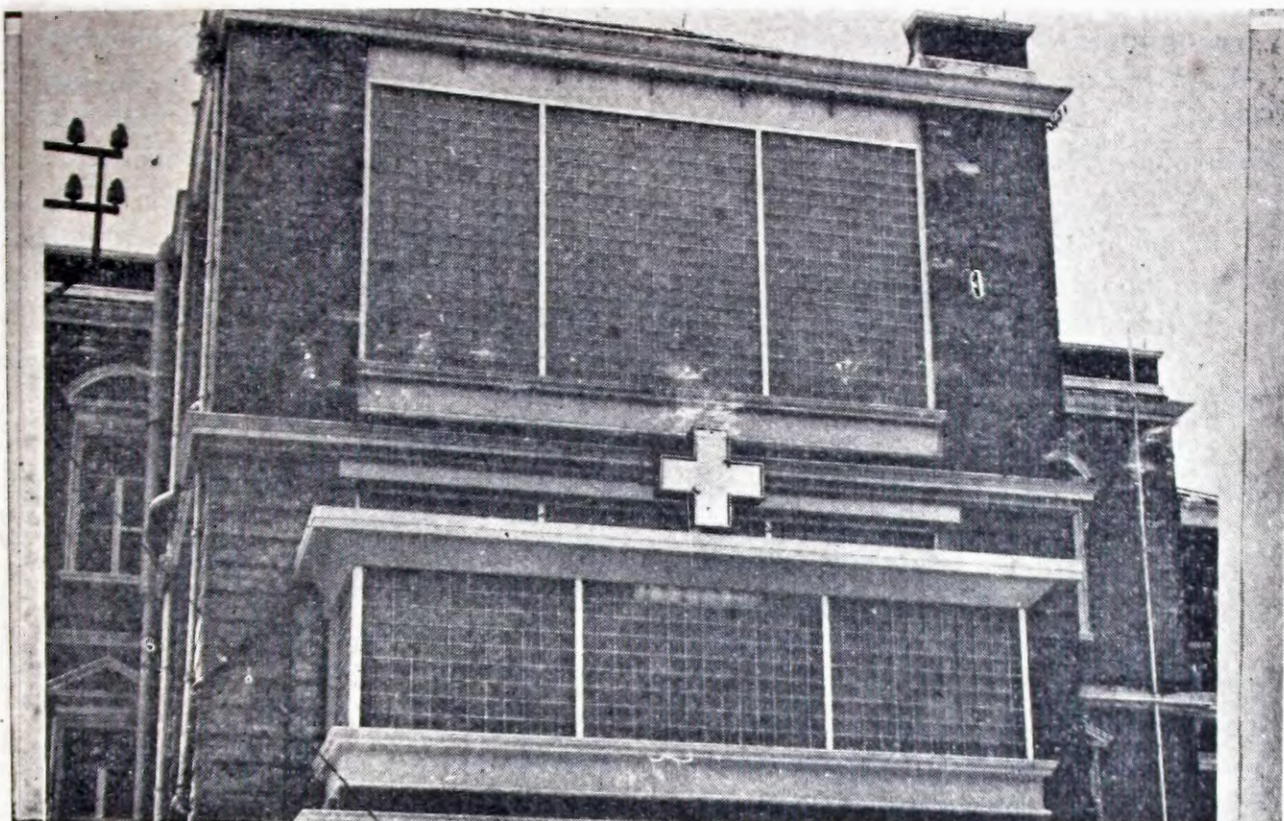
2. Improvements in availability of finance in respect of Rangoon General Hospital

Actually incurred in 1957-58. K	Particulars.	Sanctioned Amounts for 1958-59. K
71,317'70	(1) Bedding and Clothing for patients.	3,83,891'25

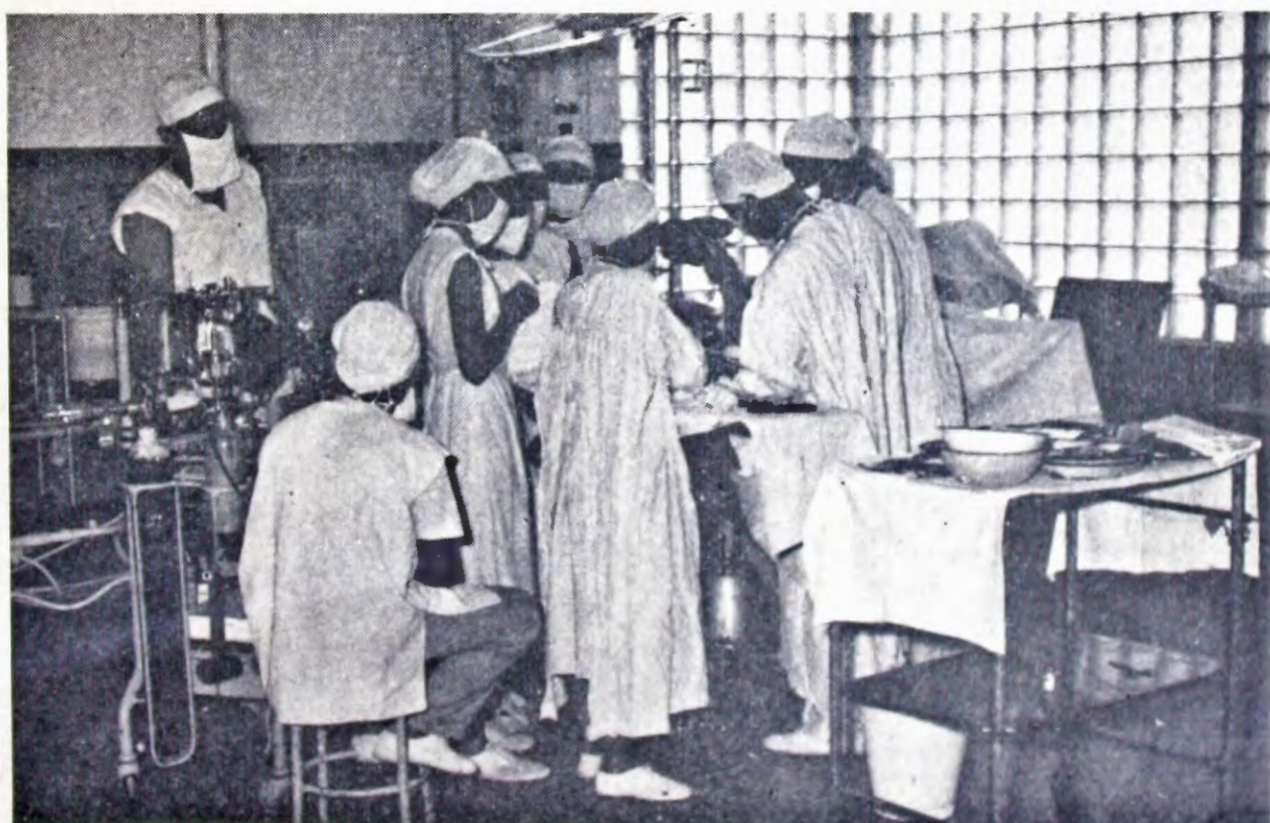
Actually incurred in 1957-58. K	Particulars.	Sanctioned Amounts for 1958-59. K
12,252'50	(2) Uniforms menials.	for 1,02,610'00
13,07,641'74	(3) Medicines and Equipment.	and 28,00,000'00
Nil	(4) Workshop ...	17,000'00
Nil	(5) Ambulance (Three Nos.) ; Two-Ton Truck (Two Nos.) Motor Car (One No.).	98,000'00
Nil	(6) For the improvement in sub-store at Rangoon General Hospital in connection with storage of medicines and equipments and provision of model shelves installed in Rangoon General Hospital.	23,399'47

3. The following statement shows Four Years Scheme of allotment of Funds for the renovation of Rangoon General Hospital Building

1958-59 K	1959-60 K	1960-61 K	1961-62 K
50,000	10,90,000	10,90,000	8,45,000



Ultra-modern bloc glass walling of Operation Theatres at RGH under the remodelling scheme



An operation conducted under the improved facilities of the remodelled Operation Theatres at the RGH

4. Arrangements for installation of air condition units in the Operation Theatres are being made for the following Hospitals

- (1) Rangoon General Hospital.
- (2) Rangoon Dufferin Hospital.
- (3) Moulmein Civil Hospital.
- (4) Mandalay General Hospital.
- (5) Pegu Civil Hospital.
- (6) Prome Civil Hospital.

The Operation Theatre Nos. 1, 2 and 3 in Rangoon General Hospital have been provided with the necessary modern and up-to-date instruments and equipment together with the Air Condition Units with a view to carrying out more successful operations.

(a) *Extension to the Nurses Quarter in Rangoon General Hospital.*—An extension dormitory with a floor area of 7,920 sq. feet at an estimated cost of K 1,50,000 is being constructed to improve the present accommodation facilities of the Nurses of the Rangoon General Hospital.

(b) *Extension and renovation of Blood Bank.*—Formerly expenditure for collection of blood for the patients is incurred out of the funds of the Rangoon General Hospital by payment to the blood donor. In order to discourage such practices and also to encourage free donation of blood from the public especially from citizens of higher social status and officials of both general administration and the Army, extension and renovations are carried out at the Blood Bank Department of the Rangoon General Hospital.

(c) *School for Dentists.*—There are many unqualified dentists practising throughout the Union of Burma who do more harm than good to the masses and to prevent further detrimental effect to the health of the population, a School for Dentistry has been inaugurated at the Rangoon General Hospital.

(d) *Tadagale Mental Hospital.*—Since the days of the British Administration the

Tadagale Mental Hospital was administered more in the nature of an Asylum for the insane persons and these mental patients received no better treatment than convicts in a prison. The Bogyoke Government has not overlooked the deplorable conditions of the Mental Hospital and transformed it into its true nature of a Mental Hospital. The diets, medical care, linen, clothings and other facilities enjoyed by the patients of other hospitals in Burma are equally provided to the mental patients at this hospital. More accommodation with full sanitary and electrical fittings are now available for the ease and comfort of the mental patients. The water tanks and kitchen of the hospital have been repaired to be cleaner and healthier.

5. Mandalay General Hospital

(1) One additional Operation Theatre has been completed in Mandalay General Hospital.

(2) Adjunct services building is nearing completion.

(3) Work is in progress for the erection of Nurses Quarters.

6. New Hospitals which have been completed during the Bogyoke's Government are as follows

Meiktila (75-bedded);
Akyab (75-bedded);
Toungoo (75-bedded);
Tantabin (Toungoo District) (16-bedded);
Nyaunglebin (50-bedded);
Tantabin (Insein District) (16-bedded);
Rathedaung (16-bedded).

7. Concise Report on Improvement in staffing of hospitals and dispensaries with Nurses and para-medical personnel

Name of Posts.	Previous strength.	Total present strength.
Nurses ...	373	471
Compounders ...	274	277
Lab. Technician ...	4	11
Lab. Assistant ...	27	37

8. Standardization of Hospitals and Dispensaries

The Government of the Union of Burma has approved on principle the Scheme for the Standardization of Hospitals and Dispensaries. Towards implementation of this Scheme more doctors were posted at the hospitals in the districts.

During the year under report 22 more doctors were sent abroad to pursue their post-graduate studies and the services of the nine who returned are utilized in the different divisions of the Health Directorate. Sixty-one doctors were recruited during the period of the present Government, as compared with 52 in the preceding 15 months.

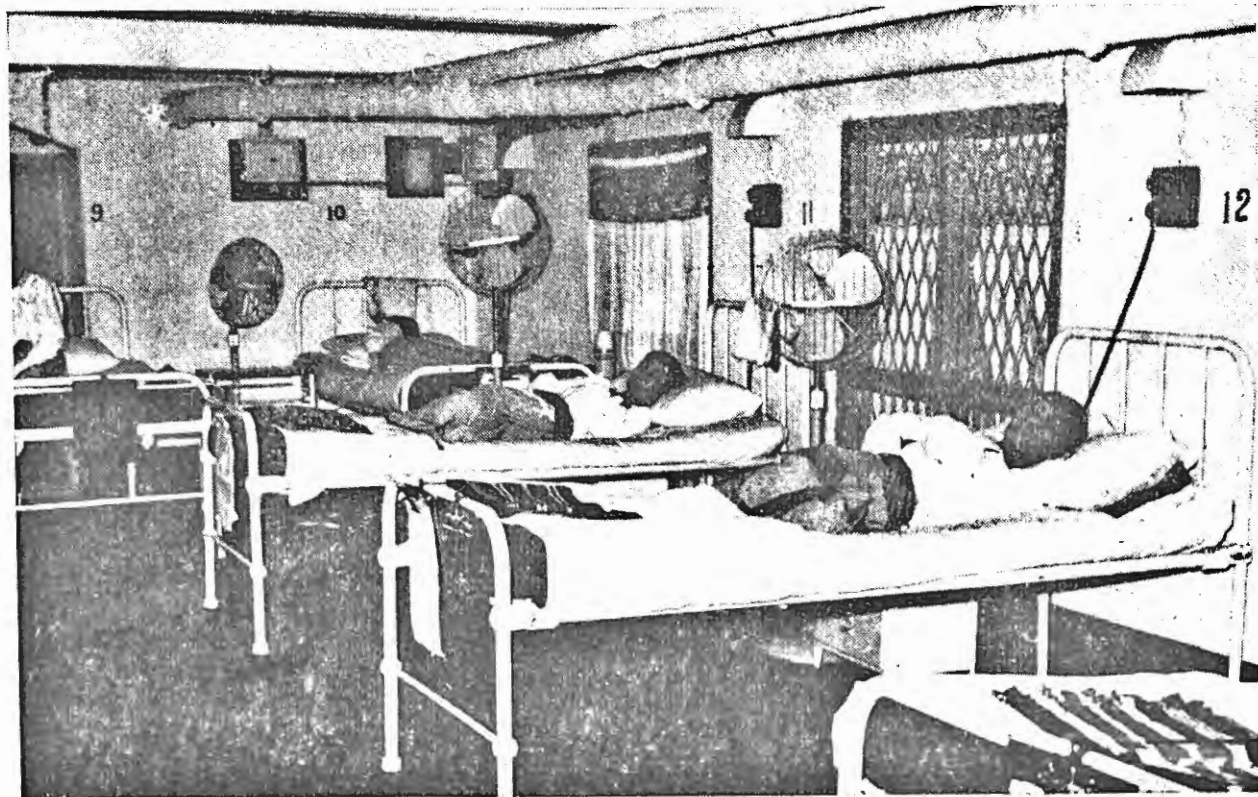
There are some hospitals and dispensaries where no doctors could be sent since their opening. During the year under report, doctors could be sent to stations like Tenasserim in Mergui District, Seikpyu in Pakokku District, Matupi in Chin Hills District and to Gwa.

9. Rural Health Centres

The Scheme of the Rural Health Centres is to have 800 Rural Health Centres in the whole country with a view to giving medical and health care to the rural population of Burma. Up to the end of the period under report 409 Rural Health Centres have been established and are functioning, an increase by 49 over the previous total of 360.

During the period under report, 253,518 persons were attended to at the Rural Health Centres; 102,148 Ante-natal cases, 101,467 deliveries, 282,694 vaccinated, 56,469 houses and out-houses sprayed with D.D.T., 51,573 persons B.C.G. vaccinated, 14,595 wells chlorinated, and 26,739 latrines sanitarily inspected.

As compared with the year 1958, there is an increase of 89,951 attendance at the Rural Health Centres; 70,045 Ante-natal attendance and 98,208 cases of delivery. As regards preventive works, 63,312 more persons have been vaccinated and 53,225



A separate Cancer Ward for women opened at the RGH

more D.D.T. spraying have been done. In the year 1958, B.C.G. vaccination could not be done, but during the period under report 51,573 persons have been B.C.G. vaccinated, 5,502 more wells chlorinated and 20,126 more latrines sanitarily inspected.

It may be judged that the activities of the 409 Rural Health Centres have increased by 50.8 per cent.

10. Central Medical Stores Depot

(1) Procurement of Stores—

	During Nov. 1957 to Jan. 1959.	During Nov. 1958 to 8th Feb. 1960.
	K	K
(a) Total value of Medical Stores purchased from abroad ...	41,20,945.68	44,90,413.20
(b) Total value of Medical Stores purchased from local sources ...	34,14,084.60	57,79,602.20

(2) *Storage and distribution of stores.*—For proper and systematic storage of medical stores and for preservation of potency of valuable medicines like injectables and antibiotics, some of the godowns were equipped with up-to-date steel racks and air conditioners. In addition a financial sanction for over K 2 lakhs was obtained for the purpose of air conditioning four bulk storage godowns of other stores.

(3) *Transportation.*—For transporting medical stores, two additional motor vehicles were sanctioned and procured and the necessary extension of motor garage with electric lighting was carried out.

Some of the medical stores which were left stranded for a long time at Pakokku due to difficult transport have been transported to Gangaw, Saw, Kyauktu and Htilin by air recently.

(4) *Security.*—The construction of brick walling around the Depot's compound was completed.

(5) *Opening of Branch at Mandalay.*—At present arrangements are being made to

set up branch medical stores at Mandalay. Sanction of posts for the skeleton staff has been obtained.

11. Health Education

In societies where the individual has the privilege of determining his own welfare and where a strong sense of community responsibility prevails, health education of the public is an essential and indispensable aspect of all Public Health Work. In fact health services—curative and preventive measures—are dependent upon health education.

During the Bogyoke Government the degree of the understanding, support and co-operation of the public has most prominently progressed.

Health services were rendered to the public by means of film shows, photographing, and educational materials such as posters, charts, cartoons, etc.

A total number of 369 health education lectures was given to 34 different categories of health workers, such as Health Assistants, Public Health Nurses, Lady Health Visitors, Midwives, Vaccinators, Social Workers, Headmen, etc.

During the period under report, 26,156 posters and 82,202 health pamphlets and leaflets were distributed through the District Health Officers, Health staff and local leaders and organizers to the public.

It may therefore be mentioned in this connection that the work of the Bureau during the period under report was effective and successful and that the same techniques and methods will be used for the betterment of the health of the people.

12. Anti VD Control Project

In Rangoon there are 7 Anti VD Teams as follows:—

1. Rangoon General Hospital (Male).
2. Rangoon General Hospital (Female).

3. Ahlone.
4. Bahan.
5. Kemmendine.
6. Tamwe.
7. Muslim Free Dispensary.

In the Districts there are 11 Anti VD Teams; at Akyab, Bassein, Henzada, Mandalay, Moulmein, Myitkyina, Pegu, Prome, Sagaing, Taunggyi and Yenangyaung. Three more Anti VD Teams were opened during the Bogyoke Government's regime at Mergui, Myingyan and Kyaukpyu. In addition, the two teams at Bassein and Yenangyaung have now been provided with full-time doctors.

The total number of attendance in all the Anti VD Teams was 241,814 during the period November 1958 to February 1960. The number of new patients registered in all the teams during the period under report was 85,942. The total number of blood tests made to both new and old patients was 93,444. Among them 13,255 cases were found positives, out of which 9,838 completed the treatment and the rest are still under treatment. During the period under report 1,186 more positive cases were treated than in 1958, out of which 544 patients completed the treatment.

13. Maternal and Child Health and School Health Project

The target of the Maternal Child Health Project was to open 500 M.C.H. centres in the Union. During the period under report, 135 M.C.H. centres were functioning, in addition to 13 School Health centres (6 centres in Rangoon, 3 centres in Mandalay, 2 centres in Moulmein and 2 centres in Bassein).

Since the implementation of the M.C.H. project, the infant mortality rate has come down by about 50 per cent (from 266.8 in 1948 to 149.7 in 1959). Maternal mortality rate has also come down by 50 per cent (from 9.2 in 1948 to 4.6 in

1959), and the still-birth rate has come down by about 75 per cent (from 54.7 in 1948 to 34.8 in 1959).

MATERNAL CHILD HEALTH PROJECT CHART

Total.	Sept. 1957 to Oct. 1958.	Nov. 1958 to Dec. 1959.
1. Number of voluntary maternal and Child Health Associations ...	324	345
2. Government M.C.H. and School Health Centres ...	137	137
3. Number of L.H.Vs. ...	138	138
4. Number of Midwives ...	276	274
5. Number of deliveries at Homes ...	12,290	11,513
6. Number of deliveries at Centres ...	3,681	3,893
7. Number of Home Visits ...	192,366	283,447

SCHOOL HEALTH SERVICES PROJECT CHART

Total.	Sept. 1957 to Oct. 1958.	Nov. 1958 to Dec. 1959.
1. Number of School Health Teams ...	13	13
2. Number of Schools (Medical Inspection done) ...	403	513
3. Number of Children examined ...	49,008	79,484
4. Number of children found with defects ...	21,532	37,279
5. Number of defects corrected ...	28,652	38,375
6. Number of children immunized ...	37,201	56,008
7. Number of beneficiaries of skimmed milk ...	132,800	81,610

14. Rangoon Polyclinics

The following is the progressive report on the working of the Polyclinics in Rangoon:

Type.	Sept. 1957 to Oct. 1958.	Nov. 1958 to Dec. 1959.
1. Surgical Operation (Minor) ...	3,855	4,220
2. Daily average number of patients ...	7,691	7,816
3. Maximum number of patients on any day ...	12,344	18,277
4. Number of new patients ...	94,820	68,329
5. Number of old patients ...	151,627	188,485
6. Total number of patients attended ...	146,160	194,161
7. Total number of times members attended ...	76,346	108,415
8. Total number of associate members ...	10,969	32,085
9. Number of house visits of Medical Officers ...	1,901	1,961
10. Number of confinements at house ...	502	656

Type.	Sept. 1957 to Oct. 1958.	Nov. 1958 to Dec. 1959.
11. Number of cases admitted into—		
(a) C.D. hospital ...	...	1
(b) Rangoon General Hospital ...	260	301
(c) Rangoon Dufferin Hospital ...	109	160
(d) T.B. Clinic ...	29	39
(e) Ramakrishna ...	7	...
12. Number of houses visited by L.H.V. ...	34,535	35,761
13. Number of ante-natal visits ...	6,138	3,714
14. Number of post-natal visits ...	4,424	3,520
15. Number of infant under 1 year visited ...	3,608	6,808
16. Number of children from 1—5 years visited ...	23,367	24,448
17. Number of children above 5 years ...	33,020	42,850
18. Number of blood taken for VDRL ...	798	903
19. Number of blood found VD positive ...	206	143
20. Number of night patients attended ...	521	639
21. Number of patients treated by Burmese <i>Seysayas</i>	15,866	16,052
22. Number of patients treated by Dental Surgeon ...	10,250	16,052
23. Number of patients treated by Ophthalmologist ...	248	257

15. Distribution of Yeast Tablets

During the year under report, yeast tablets were distributed as follows:—

	Male.	Female.
1. Adults ...	143,016	134,464
2. Children, 6—12 years ...	48,349	46,176
3. Children, 1—5 years ...	9,771	4,981

These yeast tablets were distributed to the Maternity and Child Health Centres, Maternity Shelters, Government Departments and to the general public.

16. T.B. Campaign

The training of the para-medical personnel on the effective methods of preventing the disease along with the diagnosis and treatment is being done by the T.B. Clinics in Rangoon and Mandalay.

The second T.B. Clinic under construction, with the aid of Burma Tuberculosis and Leprosy Relief Association, is expected to be completed by the end of February 1960.

During the period from November 1958 to December 1959, the number of cases examined were 144,718 and the cases diagnosed as T.B. were 1,176 in Rangoon, and in Mandalay the numbers were 58,312 and 2,730 respectively. There was, thus, an increase of 22,313 cases diagnosed and 461 cases cured.

17. BCG Vaccination

The object of BCG vaccination is to immunize susceptible individuals to tuberculosis after screening people with preliminary tuberculin skin tests. Ten mobile teams are in the field, out of which five teams are assigned to train the staff of the Health Units and the rest are promoting a mass educational campaign.

During 1959, the teams tested a total of 1,192,000 persons as against the target for the year of 800,000. Out of over a million tested 480,132 persons were BCG vaccinated. The staff of a total of 64 Health Centres were also trained in BCG work, and 76 Health Centres previously trained could do the BCG vaccination by themselves under the supervision of BCG Consolidation Teams.

TUBERCULIN TESTING CHART (Comparative Statement)

1957	1958	1959
651,372	727,103	1,192,000

18. Leprosy Control Project

In consultation with the World Health Organization, the Leprosy Control Programme was expanded during the period under review. As a result of this, a total of 54,500 leprosy patients have been given modern treatment in 27 districts in Burma proper and in the Shan and Kachin States during the year 1959. This figure compares with 45,990 cases in 1958, an increase of 8,510 cases. Of these, about 2,634 patients have been discharged.

The success in the Leprosy Control Programme is attributable to the willing help and co-operation given by the District Security Councils to the teams of leprosy workers.

19. Nutrition Project

Nutrition education was stressed and health education imparted to social workers, Health Assistants, Midwives, Public Health Nurses, Teachers, Lady Health Visitors and the public at large. Altogether 74 lectures on nutrition and dietetics were given. Eleven post-graduate Nurses, 189 student Midwives, 55 student Lady Health Visitors and 12 Lady Health Visitors attended the course. The lessons were in the forms of lectures, radio scripts, puppet shows and health posters. The nutritional and dietary survey has also been carried out in remote areas. The outbreak of beri-beri was informed and was attended to promptly, and in Akyab in 1959, the cause of death due to beri-beri declined to a great extent.

NUMBER OF DEATHS FROM BERI-BERI IN AKYAB

Cause of death.	1957	1958	1959
Beri-Beri	41	50	33

Hence the improvement of health and nutritional conditions may be clearly observed in late 1958 and 1959. The laboratory has been immensely busy with analysis of various food-stuffs, including rice, *ngapi*, milk and milk products, leafy vegetables, fruits, eggs, and others. A compilation of these results, as presented in a booklet on food composition tables, was published on September 15, 1959. Many copies have been distributed.

20. Training Project

The Nursing Division undertakes the training of the following:—

- (1) General Nursing Training.
- (2) Midwifery Training.
- (3) Lady Health Visitors Training.
- (4) Sister Tutor Training.
- (5) Midwifery Tutor Training.
- (6) Refresher Courses.
- (7) Fellowships Abroad.

(1) *General Nursing Training*.—This Training is carried out at—

- (a) six Government training schools attached to the General Hospitals

at Rangoon, Mandalay, Maymyo, Akyab, Bassein and Moulmein.

- (b) State training school at Taunggyi in the Southern Shan State.
- (c) Non-Governmental training schools such as Ramakrishna Hospital, Rangoon; Christian Hospital, Moulmein; and Namkham Hospital, Northern Shan State.

(2) *Midwifery Training*.—The number of candidates who applied for midwifery training still keeps on increasing. Educational qualification is given prior consideration in selecting them.

Besides Dufferin Hospital there are 34 training centres in Burma proper at present. For the period under report 525 were selected out of 1,177 applicants for Midwifery training, 537 pupil midwives are undergoing training and 467 have graduated. They are employed in Maternity and Child Health and Rural Health Centres throughout the country.

Domiciliary training is given to the senior pupil midwives in Rangoon and Mandalay. During this period 155 pupil midwives underwent such training. The number of deliveries conducted by the pupil midwives was 1,395.

(3) *Lady Health Visitors*.—One hundred and eight eligible candidates applied for Lady Health Visitors training, out of which 66 candidates were selected.

(4) *Sister Tutor Training*.—Eleven students underwent Sister Tutor Training and all of them graduated and were posted again to their mother units.

(5) *Midwifery Tutor*.—By arrangement with the World Health Organization, a midwifery tutor training programme was drawn up and a Nurse Educator from the World Health Organization has arrived to assist in the training, which commenced on February 1, 1960 with 14 students.

(6) *Refresher Courses*.—The course for the fourth batch of 18 Lady Health Visitors was conducted at Rangoon in October and

ended on December 31, 1958. The fifth refresher course for 20 Lady Health Visitors began in November 1959, and ended on January 31, 1960.

(7) *Fellowships Abroad*.—Thirteen senior nurses have been sent abroad; four to study Sister Tutor Training, one for Administration, another for Pediatrics and the remaining four for Public Health Nursing. Ten nurses who had successfully completed their training abroad returned home and were posted back to their former posts.

(a) *Compounder Training Scheme*.—To provide an adequate number of compounders in hospitals and dispensaries, the Government opened 25 centres for training of 143 trainees. Up to the year 1958, a total of 381 had qualified. During the period under report, 56 candidates completed training in 21 centres.

(b) *Lab. Assistant Training Scheme*.—This training is of six months duration and each trainee receives a stipend of K 60 p.m. Up to 1959, 48 Lab. Assistants were trained. At present there are 9 trainees.

(c) *Lab. Technician Training Scheme*.—This training is being conducted at the Pasteur's Institute, Rangoon, and extends over a duration of 12 months, with each trainee receiving a stipend of K 60 p.m. Up to 1959, 13 Lab. Technicians were trained and qualified. At present there are 6 trainees.

21. Vital and Health Statistics Project

During the period under report, necessary steps have been taken to introduce the international method of certifying cause of death in the Rangoon area.

Due to lack of security the vital statistics registration in rural areas could not satisfactorily be made in the previous years but, during the year under report, the vital statistics registration was revived.

During the period under report, the monthly average number of in-patients treated in the hospitals and dispensaries

in the Union of Burma was 11,127 while that of out-patients was 197,872. In comparison with the previous year monthly average of in and out-patients of 16,590 and 264,243 respectively, there was a decrease of 5,463 in-patients and 66,371 out-patients.

During the period under report, there were 72,329 births and 33,642 deaths registered. In the previous year, there was a death rate of 19.4 per 1,000 population while there was 18.0 during the period under report with a slight decrease of 1.4.

There were 411 maternal deaths in the previous year with a maternal death rate of 4.9 per 1,000 related live-births. However during the period under report, this was reduced to 4.3. There was a still-birth rate of 37.4 and infant mortality rate of 133.8 per 1,000 live-births during the period under report, showing a 2.0 increase in the still-birth rate and a decrease of 13.8 in the infant mortality rate respectively.

22. Scheme for the Improvement of Indigenous System of Medicines

A syllabus for schools of Burmese Medical Science and a set of Election Rules for Burmese *Sesayas* are innovations during the present Government.

As in previous years, registration of Burmese *Sesayas*, as well as the operation of 18 free dispensaries (nine in Rangoon and nine in Mandalay) has continued. There was an increase of 2,097 registered Burmese *Sesayas*, the registration during the period under report totalling 3,252.

The attendance at the 18 free dispensaries (running purely on the Burmese system of medicine) operating in Rangoon and in Mandalay, during the period under report is as shown below:—

<i>At Rangoon.</i>	<i>At Mandalay.</i>	<i>Total.</i>
337,287	235,531	572,818

23. Medical Liaison Division

During the period under report the Medical Liaison Division helped patients in

social and emotional problems affecting their illness under the following categories:—

- (1) Psycho-social problems, protection against economic distress, adoption, legal matters, etc. (590 patients).
- (2) Financial help (225 patients).
- (3) Replacement and rehabilitation (178 patients).
- (4) Institutional placement, (66 patients).
- (5) Health education (9,498 patients).

There was thus an increase of 141 patients receiving financial help, 56 patients for replacement and rehabilitation, 9 patients receiving the benefit of Institutional placement and 2,101 patients receiving health education during the year under report.

24. Malaria Eradication Programme

The insecticide spraying campaign was carried out in all the seven regions of the country from February to May 1959. As against the target of 9.5 millions, the spraying campaign succeeded in covering an area of 10 million population.

During this period some important changes were effected in the National Malaria Eradication Programme, after the Government had reviewed in detail the organizational set-up and the financial aspects, with a view to increasing the efficiency of the operation at all levels so that the objective of the Malaria Eradication may be accomplished with speed and economy.

It has been decided to utilize the services of the voluntary members of the National Solidarity Councils for spray campaigns throughout the country, instead of engaging paid labourers.

The programme of Malaria Eradication work is as follows:—

- (a) DDT and Dieldrin spraying from February to May.

- (b) Entomological Survey from May to November.
- (c) Malaria surveillance from May to December.
- (d) Training of personnel and preparation for spraying, January.

During the period under report the following conferences were held:—

- (1) Malaria Co-ordination Conference was held at Rangoon in December 1958. Delegates from Cambodia, Laos, Malaya, Thailand, Viet-Nam and Burma attended the conference.
- (2) The Indo-Burma Anti-Malaria Conference was held at Myitkyina during December 1958.

25. Progress of the National Fitness Movement

During the period from November 1958 to February 1960, the movement for national fitness through sports and physical recreation conducted by the National Fitness Council and its associated sports organizations, has been able to make much better progress than before due to the following favourable factors brought about by the new Government:

- (a) Greater security, especially in the rural areas.
- (b) Improved communications.
- (c) More inter-departmental co-ordination and co-operation.
- (d) A marked reduction in the cost of living, especially in the prices of foodstuffs and nutriment.
- (e) Improvements in environmental hygiene and sanitation.
- (f) The provision of greater facilities to sports enthusiasts by the Government departments in which they are employed.
- (g) The imbuing of the people, and especially the youth, with more discipline and greater civic sense.

As a result of these improved conditions in various spheres, the National Fitness Council and its associated sports organizations have been able to carry out the following main activities on a country-wide basis :—

(1) *Sports and Games Training.*—In order to give a further impetus to various forms of sports and to acquaint sports enthusiasts in the Districts with the latest techniques and methods of training, some of the Council's well-known men and women organizers have been carrying out extensive tours in the Districts.

In addition to these special training courses, men and women organizers of the National Fitness Council carried out courses of training in various forms of sport in their respective areas.

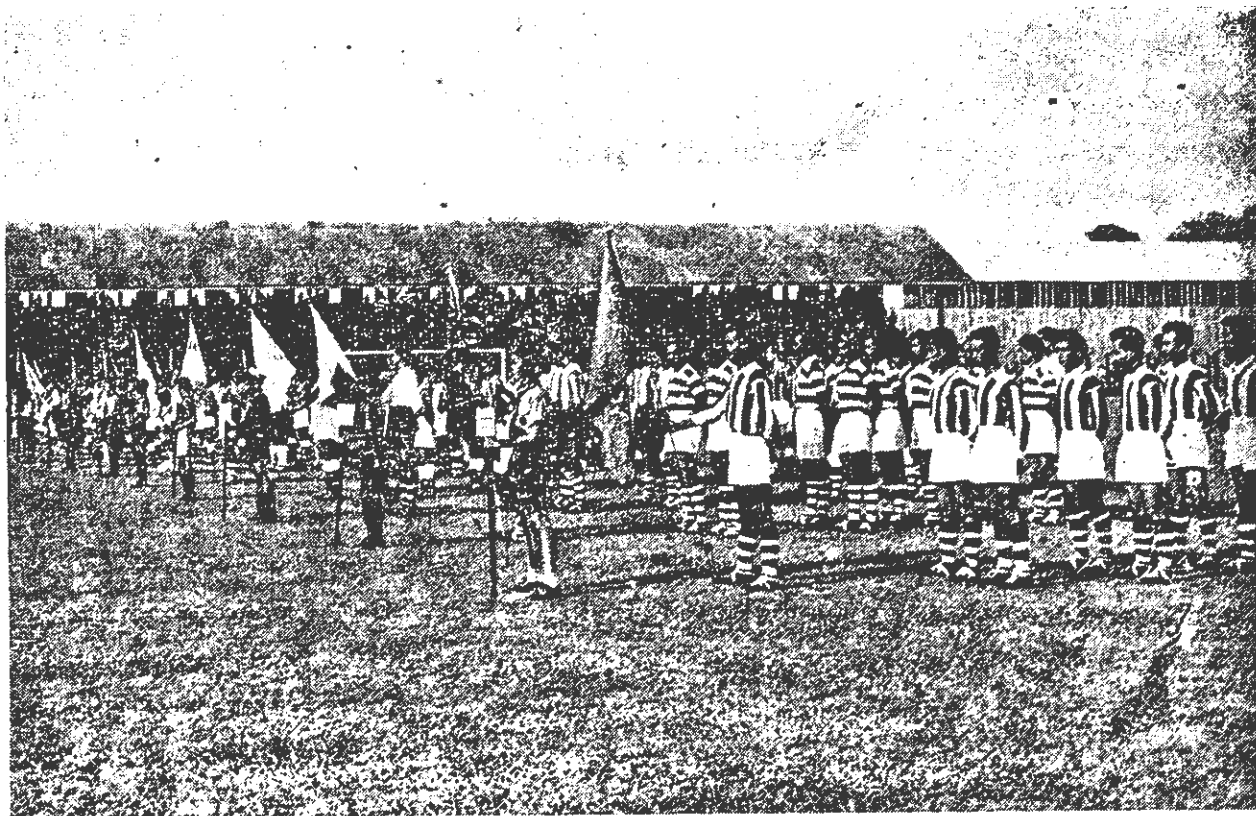
(2) *Sports Contests and Displays.*—A large number of both national and international sports contests have been held, and these competitions and exhibitions

have given a great fillip to sports and games all over the country.

(3) *Sports Grounds and Buildings.*—As a result of obtaining a substantial Government contribution, the National Fitness Council has at long last been able to arrange for the enlargement of the West Stand at the Aung San Memorial Stadium, Rangoon. Besides providing increased accommodation for spectators, the enlarged structure will also facilitate indoor training in various forms of sports and will be a valuable supplement to the Council's Indoor Sports Hall.

In Mandalay, the National Fitness Council has taken over the Upper Burma Athletic Association stadium with a view to making various improvements in this sports area. The stadium had been renamed the Bahtoo Memorial Stadium.

The Council has also been able to make further essential improvements in its other sports grounds both in Rangoon and the districts.



The Inter-Divisional football tourney held under the auspices of the National Fitness Council

(4) *Sports Equipment*.—The 16 governing organizations for sports, which are associated with the National Fitness Council and the Burma Olympic Association, were able to obtain the latest international type of sports equipment from abroad as a result of the Council receiving an import permit to the value of kyats one lakh.

(5) *Sports Handbooks*.—The two latest sports handbooks in Burmese, produced during the period, are those for the games of Volleyball and Basketball.

(6) *New Sports Organizations*.—Three new sports governing organizations were set up recently: the Rangoon Weight Lifting and Physical Culture Association, the Judo Association and the National Rifle Federation.

(7) *Union Flag Relay*.—The annual Union Flag Relays have done a great deal to promote both Union consciousness and sports consciousness in the rural areas.

The 1959 Union Flag Relay, which was the sixth in the series and one of the most impressive held so far, had the historic Upper Burma town of Shwebo as its starting point and the route included the town of Natmauk, birth place of the late U Aung San, Architect of Burma's freedom.

26. The Burma Medical Council

The Burma Medical Council was newly constituted under the Burma Medical Act, 1957 (Act No. 54 of 1957) as subsequently amended by the Burma Medical (Amendment) Act, 1959, during the Bogyoke's Government.

27. The Burma Red Cross Society

With a view to bringing the Burma Red Cross Society more into line with the movement of International Red Cross Societies and placing it on a statutory basis, as well as to broaden its scope of activities and to have a better co-operation with the

Government Departments, "The Burma Red Cross Society Act (Act No. 25 of 1959)" was enacted and the first National Council was constituted during the Bogyoke's Government.

28. National Health Council

The National Health Council was formed since 1950 under "The National Health Council Act of 1950 (Act No. 38 of 1950)." The object of the Council was to advise the Government in all matters relating to public health.

The National Health Council (Amendment) Act of 1959 (Act No. 23 of 1959) was enacted during the Bogyoke's Government with a view to making the National Health Council more widely representative.

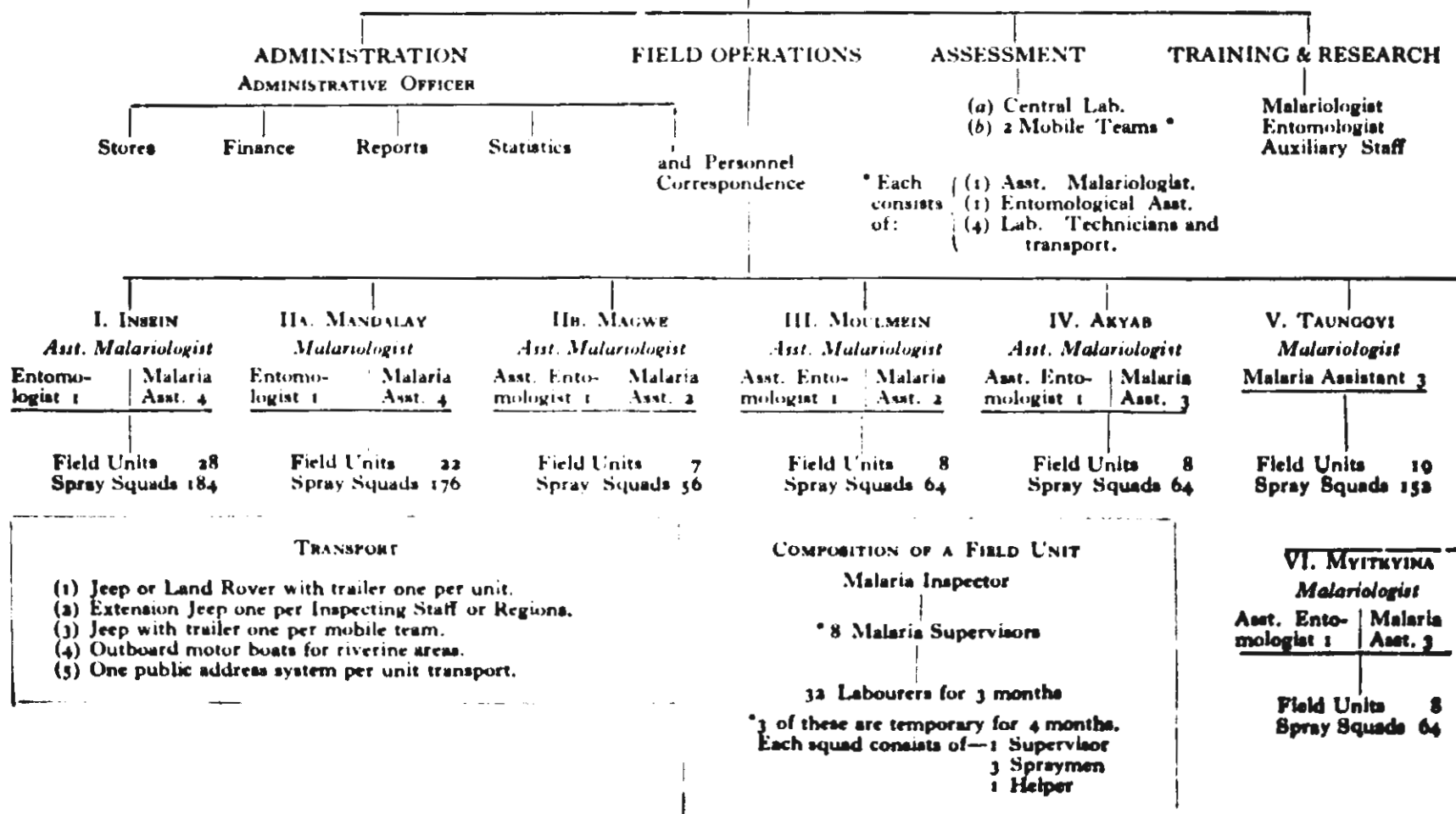
29. New Health Centres at Satellite Towns

The Health Centres at Okkalapa and Thaketa were established and are functioning with effect from 5th January 1959 and 18th February 1959 respectively. During the period under report the number of persons attended to at the Health Centres was 127,150; the number of ante-natal attendance, 3,759; the number of deliveries, 364; the number of persons vaccinated 166,610; and the number of Anti-cholera inoculations completed, 138,568.

30. Shifting of the Office of Assistant Director of Health Services (North) to Mandalay

For the efficient running of the hospitals in Upper Burma and for the purpose of rendering prompt medical aid and to extend all facilities of preventive immunization to the population of the villages taken over from the hands of the insurgents, the Office of the Assistant Director of Health Services (North) was shifted from Rangoon to Mandalay.

GOVERNMENT OF UNION OF BURMA ANTI-MALARIA ORGANIZATION

MINISTRY OF HEALTH
DIRECTOR OF HEALTH SERVICESCENTRAL ANTI-MALARIA BUREAU & MALARIA INSTITUTE OF BURMA
ASSISTANT DIRECTOR OF HEALTH SERVICES (MALARIA)

Consolidated Data Relating to the 1958 Spraying Campaign, Burma (Final Figures)

Particulars (1)	Regions							Total (9)
	I (2)	IIA (3)	IIB (4)	III (5)	IV (6)	V (7)	VI (8)	
1. No. of field units	22	22	7	8	8	20	8	95
2. No. of houses sprayed	569,443	407,505	177,418	215,519	188,143	304,248	91,092	1,953,369
3. No. of outhouses sprayed	173,068	136,602	50,554	20,243	18,951	67,725	48,150	515,293
4. Total structures sprayed	142,511	544,107	227,972	235,762	207,094	371,974	139,242	2,468,662
5. Population protected	2,527,795	1,887,723	774,723	1,068,021	940,870	1,581,397	477,165	9,257,694
6. 75% DDT w.d.p. spent (lbs.)	462,236	388,820	175,950	216,200	11,457	300,589	102,756	1,658,008
7. 50% Dieldrin w.d.p. spent (lbs.) ... ..	...	...	...	...	71,142	...	...	71,142
8. DDT spent for capital of population in terms of technical DDT (gm).	62'0	70'2	77'2	69'0	68'3	83'3	74'2	67'5
9. Dieldrin spent per capital population in terms of pure Dieldrin (gm). ... ..	...	...	...	...	18'3	...	...	18'3
10. Average number of structures sprayed by unit per month.	11,250	8,243	20,856	9,430	8,284	5,973	5,355	8,600
11. Average number of structures sprayed per labourer (spraymen and helpers) per working day.	15'0	10'9	14'3	13'0	11'7	7'5	7'6	10'8
12. Estimated target population to be covered (millions).	2'200	2'080	0'760	1'100	1'000	1'550	0'500	9'190 *
13. Population actually covered as percentage of target.	114'9	90'0	101'9	97'1	94'1	108'0	95'4	100'7

* Target revised in March 1958. Original target 9'00.

Consolidated Data Relating to the 1959 Spraying Campaign, Burma (Final Figures)

	No. of structures sprayed				Population	Insecticide Used				Percentage of popula- tion covered to the target
	No. of units	Houses	Out- houses	Total		75% DDT	w.d.p.	50% dieldrin	w.d.p.	
						Quantity	Per capita	Quantity	Per capita	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
						Lbs.	gm	Lbs.	gm	
I. Insein ...	23	568,946	176,114	745,060	2,601,309	446,516	77.9	...	...	108.4
IIA. Mandalay ...	22	429,030	144,958	573,988	2,016,374	420,980	94.7	...	...	96.2
IIB. Magwe ...	7	211,327	53,870	265,197	923,989	199,005	97.8	...	...	131.4
III. Moulmein ...	8	208,367	18,730	227,097	1,254,806	219,573	97.4	...	...	126.0
IV. Akyab ...	8	238,790	32,436	271,226	1,179,641 *	6,973	98.5	90,048	35.6	90.8
V. Taunggyi ...	19	250,403	84,261	334,664	1,644,384	388,901	107.3	...	...	102.8
VI. Myitkyina ...	8	94,912	48,854	143,766	513,587	119,204	105.4	...	...	111.1
Total ...	95	2,001,775	559,223	2,560,998	10,134,090	1,801,642	91.0	90,048	35.6	106.1

* Of these, 32,520 were protected by DDT spraying and the rest by dieldrin spraying.

Ministry of Co-operatives and Commodity Distribution



U Thi Han, Minister

The Ministry of Co-operatives and Commodity Distribution includes the following department and board:

1. *Co-operative Department.*
2. *Civil Supplies Management Board.*

The Ministry of Co-operatives and Commodity Distribution is responsible for the policy, control and supervision of Co-operative Societies and the distribution of essential commodities throughout the Union of Burma.

It has under its control the Co-operative Department for administering the Co-operative Societies and the Civil Supplies Management Board for the procurement and distribution of essential commodities at fair prices.

The Co-operative Societies also as is in the work of distribution with a view eventually to take over entirely the work of procurement and distribution of essential commodities from the Civil Supplies Management Board.

Below is a brief account of the activities of the Co-operative Department and Civil Supplies Management Board during the Caretaker Government :

I. The Co-operative Department

(A) ADMINISTRATION OF CO-OPERATIVES

Organization.—As the economic conditions everywhere in Burma were in chaotic disorder at the close of the last Great War, the then Government with a sincere belief in the co-operative method of rehabilitating Burma's economy provided in its Sorrento Villa Scheme of 1947 for a country-wide formation of Consumer Co-operative Societies (Concos).

This was followed up by a Five-Year-Co-operative Programme sanctioning the formation of more types of societies on an ambitious and extensive scale in order to get results in the minimum of time. The resultant effect was a medley crowd of both good and bad societies. Many were later rendered dormant by insurgents' activities.

The Co-operative Department, overloaded with such a vast number of societies, had no alternative but to start with effect from 1956-57 withdrawing the privileges from incorrigible co-operatives, re-organizing the hopefuls and liquidating the undesirables.

Since the introduction of a "Quality First" campaign, there has been a gradual decline in the number of societies year by year with a corresponding improvement in the quality of the remaining societies. This indeed is a healthy sign for the true progress of co-operation in the future.

As law and order was restored in the Districts by the Caretaker Government, the Department has been able to exercise closer supervision on co-operatives, and as a result most of the societies have held their annual general meetings before the end of December 1959.

The following statement is a comparative study on the conditions of co-operatives, during the Caretaker Government and the corresponding period for the previous year:

	<i>Period between</i>	
	<i>1-10-57 and 30-9-58</i>	<i>1-10-58 and 30-9-59</i>
	<i>(in thou- sands)</i>	<i>(in thou- sands)</i>
(1) Number of Societies	15.3	14.0
(2) Number of Members	1,400.5	1,403.0
(3) Share Capital ...	30,746.9	32,189.5
(4) Reserve Fund ...	10,683.7	13,660.9
(5) Other Funds ...	71,717.5	90,782.3
(6) Own Capital ...	113,148.1	136,632.7

The decrease in the number of societies is more than off-set by the increase in share capital, reserve and other funds and own capital.

(a) *Audit*.—Regular audit being an essential requisite in the campaign for "quality" drive, and the prevailing conditions in the country being more favourable, the Department was able to show more progress during

the period under report as shown by the following figures:

<i>Number Audited.</i>		<i>Audit Fees Collected.</i>	
<i>1-11-57 to 31-10-58</i>	<i>1-11-58 to 31-10-59</i>	<i>1-11-57 to 31-10-58</i>	<i>1-11-58 to 31-10-59</i>
6,183	8,761	5,16,081	5,28,312

B. LOANS

(1) *Agricultural Loans*.—After the withdrawal of issue of such loans through Co-operative Department in 1958, the Department confined itself to the recovery of the old outstandings. The Department was able to make the following recoveries through all-out help given effectively by Security Councils:

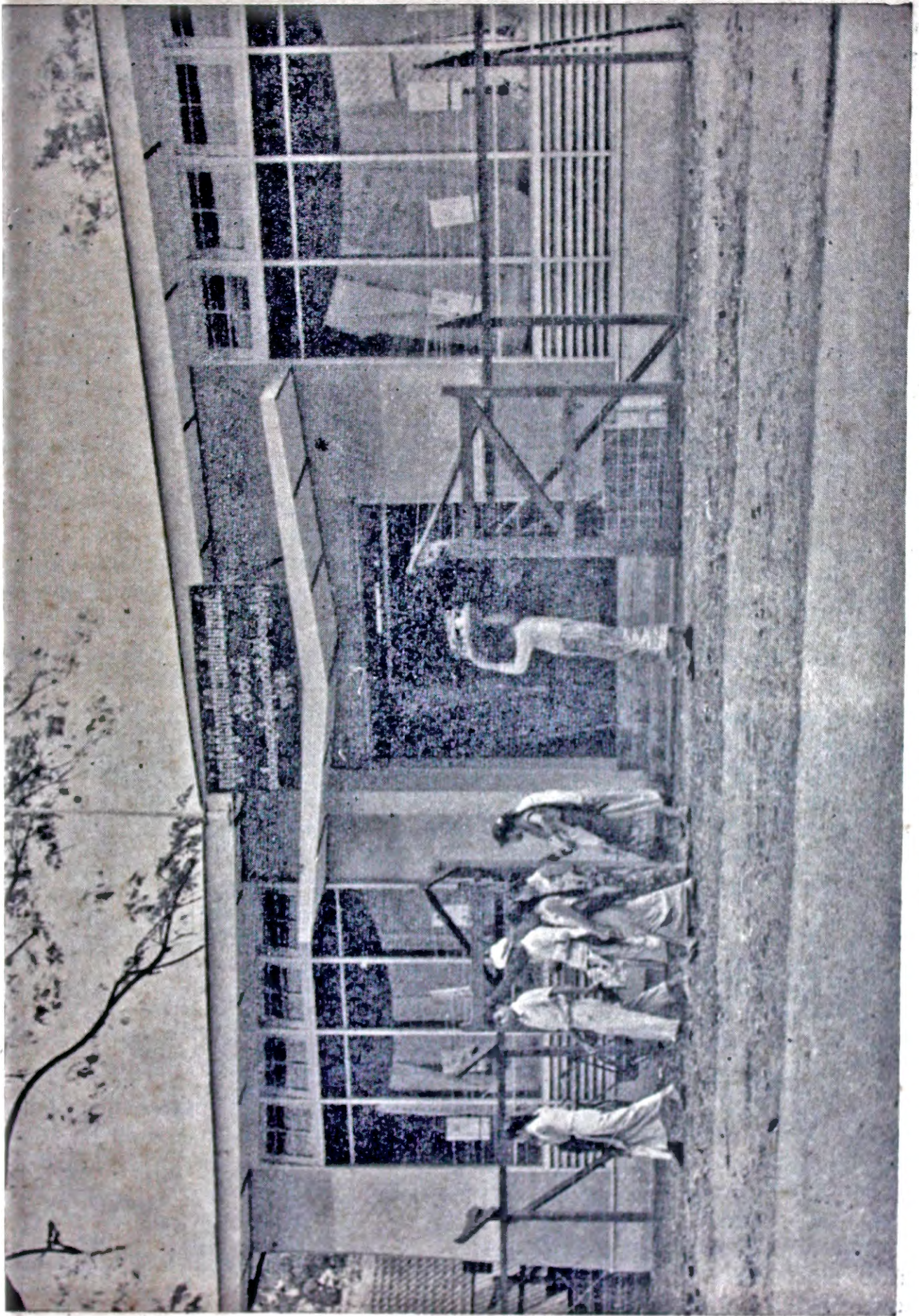
<i>Outstandings as on.</i>	<i>Collection between as on.</i>	<i>Balance as on</i>
<i>30-9-57</i>	<i>30-9-58</i>	<i>1-10-57 and 31-1-59</i>
		<i>1-10-58 and 31-1-60</i>
		<i>31-11-59</i>
		<i>31-1-60</i>
		<i>(in lakhs)</i>
145.07	75.15	71.04
		31.57
		74.03
		45.58

(2) *Non-Agricultural Loans*.—For short-term and medium-term operations the Department continues to issue yearly and medium term (limited to 5 years) loans. During the period under the Caretaker Government, the Department concentrated more on recovery of old outstandings, and issues are made only in strictly deserving cases. The following is a comparative statement for the corresponding period:

	<i>1-10-57 to 31-12-58</i>	<i>1-10-58 to 31-12-59</i>
	<i>(in lakhs)</i>	
(1) Opening balance ...	176.26	193.45
(2) Issues made ...	45.07	8.19
(3) Recoveries effected	30.22	22.70
(4) Closing balance ...	191.11	178.94

C. MARKETING OPERATIONS

(1) *Co-operative Paddy Marketing*.—The volume of such operations during the period



One of 23 Fair-Price Shops in various parts of Rangoon

under report and the previous corresponding period is shown below:

	1-10-57 to 31-12-58	1-10-58 to 31-12-59
	(in lakhs)	
(1) Paddy marketed (in baskets 46 lbs) ...	33.53	44.80
(2) Collection of general reserves at rate of K 5 per (100) baskets	1.68	2.24

The fact that more paddy was marketed despite the stoppage of issues of agricultural loans is one example of living up to the co-operative ideal of "self-help".

Creation of general reserves is another practical evidence of a true co-operative's qualification, *vis.*, "strive to depend on one's self only," and its objective is to build up its own capital so that it can be independent of aid from Government and other agencies. From 1951-52 to end of 1959, the net collection after deducting miscellaneous expenses is K 22,64,169. Similar reserves have been created in the sugar-cane marketing operations also.

(2) *Sugar-cane Marketing.*—It has been in operation from 1955-56 to the end of 1959 in the Districts of Yamethin, Myitkyina, Toungoo and Pegu. Comparative study of this operation during the period under report and the corresponding period last year is as per the following statement:

	Between 1-10-57 and 31-12-58	Between 1-10-58 and 31-12-59
	(in thousands)	
(1) Sugar-cane marketed (in tons) ...	510'0	390'7
(2) Collections at rate of 50 pyas per ton for general reserves ...	K 207'7	K 203'1
(3) Members' savings deposits at rate of K 1 per ton ...	K 362'4	K 387'9

The drop in tonnage marketed by 23.3 per cent during the period under report is due to low production through unfavourable weather conditions.

The net amount standing to its credit from collections made from 1955-56 to end of 1959 is K 3,50,604.

This is compulsory savings made by co-operative cane growers out of their sale proceeds in accordance with the co-operative ideal "Thrift is the bedrock of co-operation." The amount of savings made between 1955-56 and end of 1959 is K 9,92,333.

(3) *Cotton Marketing.*—From 1952-53 to May 1959, UBCWS enjoyed the monopoly of purchase and export, which later was withdrawn so as to be in conformity with the Caretaker Government's policy of free and fair competition. The comparative statistics of purchases and sales are shown below:

	From 1-11-57 to 31-1-59	From 1-11-58 to 31-1-60
	K	
(1) <i>Purchases made—</i>		
Number of bales (in thousands) ...	61.79	49.11
Price per bale ...	320.27	292.87
Total value (in lakhs) ...	219.86	144.94
(2) <i>Export—</i>		
Number of bales (in thousands) ...	69.85	59.91
Price per bale ...	327.90	319.23
Total sale proceeds (in lakhs) ...	228.89	199.64

The drop in purchases made is due to decreased production through unfavourable weather conditions. Despite the drop in world cotton price, UBCWS protected the cotton growers interest by stabilizing the purchase price at a loss of K 23,65,325 during the period under report from out of the Price Stabilization Fund of K 1,43,15,423 accumulated since 1952-53.

The drop in purchase and sale prices is due to the fall in world cotton price.

D. COMMODITY DISTRIBUTION

(1) Comparative figures for import licences issued to co-operatives are as follows:

	From 1-11-57 to 31-1-59	From 1-11-58 to 31-1-60
	(in lakhs)	
	K	K
To UBCWS ...	176.95	503.185
To other Co-operatives	147.05	342.290

(2) Distribution made by purchases from UBCWS and Civil Supplies Management Board (CSMB) are shown as per statement below:

From 1-11-57 to 31-12-58 From 1-11-58 to 31-12-59

(in lakhs)

	K	K
By goods from UBCWS	330.66	258.00
By goods from CSMB ...	2,985.16	2,991.44

Despite the withdrawal of co-operatives' monopoly of CSMB's retailership, open competition with new retailers of CSMB and Armed Forces, they are still able to improve upon their previous turnover during the period under report by a margin of about K 6 lakhs.

Less turnover on goods from UBCWS is due to late receipt of import licences by UBCWS.

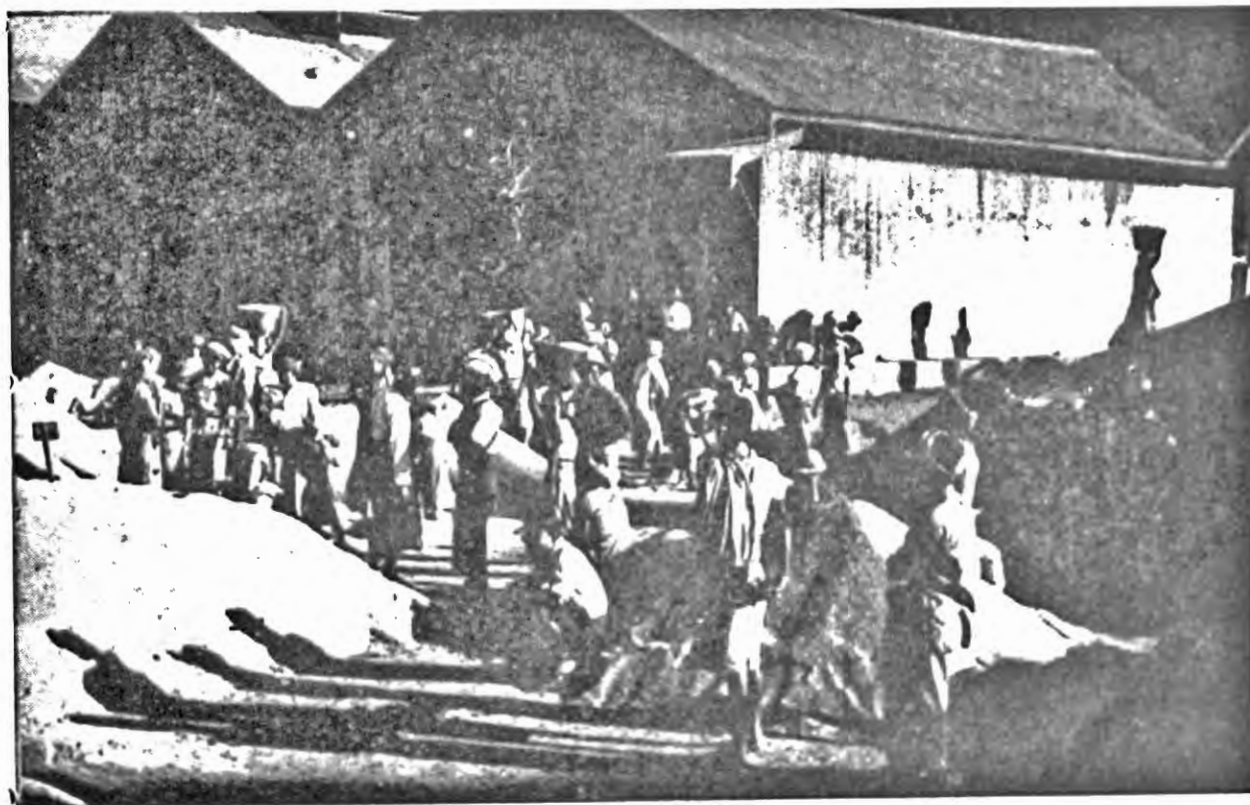
(3) *Fair-Price Shops*.—Co-operatives of Rangoon town assisted the present Govern-

ment in its Anti-High Price campaign by opening 6 fair-priced shops in Rangoon and its suburbs. These shops would have made more turnover than shown on next page, had they been given continuous supply in sufficient quantities of the required commodities.

E. OPERATIONS OF FISHERY CO-OPERATIVE

(1) *Pilot Co-operative Fisheries*.—With effect from 1956-57, the Department with a view to supplement number of traditional fishery lessees by actual fishery labourers working together on sound co-operative basis, selected 18 fishery societies to work 23 fisheries, and also to serve as "pilot" co-operative fisheries.

The comparative study of their catches and sales is given below. It will be noted that inspite of increase in catches, there is no appreciable increase in sale proceeds. This is due to the price control imposed by the Army Fresh Water Fish Project.



• The Co-operative rice-mill at Kamase in Thanatpin township; co-operative produce rice is being sold

		<i>Catches</i>	
		<i>In Viss</i>	<i>Sale Proceeds</i>
		K	K
From Nov. 1, 1957 to Oct. 1, 1958	...	1,00,053	1,87,707
From Nov. 1, 1958 to Oct. 1, 1959	...	1,22,929	1,88,051

(2) *Operations of Fish Marketing Co-operative Society (FMCS).*—The FMCS, during the period under report gave voluntary assistance to the Army Fresh Water Fish Project by handing over Razudaing (fish market), its experienced workers, equipments and godowns to the latter.

The following statement shows comparative figures of fish, prawns, etc., marketed during the period from June 1, 1958 to January 31, 1960 (resumption of such operations in competition with one another having been permitted by the Army Fresh Water Fish Project only from June 1, 1958) and the previous corresponding period:

<i>Fish, etc. (in viss)</i>		<i>Sales realized (in kyats)</i>	
<i>From</i>	<i>From</i>	<i>From</i>	<i>From</i>
1-6-57 to	1-6-58 to	1-6-57 to	1-6-58 to
31-1-59	31-1-60	31-1-59	31-1-60
K	K	K	K
8,79,484	12,79,775	22,83,337	31,78,205

(3) *The Ice Plant*, completed by October 1958 and costing about K 14 lakhs, produced during the period under report 43,236,000 lbs. of 144,120 blocks. The sales during the said period up to January 31, 1960 realized K 9,35,780. The Army Fresh Water Fish Project was the biggest customer.

(4) *Rope and Net Making Plant.*—Three net making machines, two spinning machines and one rope making machine recently set up at a cost of over Kyats 2 lakhs produced during the period from November 1, 1958 to January 31, 1960, about 25,078 lbs. of nets realizing K 1,74,640 and 3,887 lbs. of ropes, selling at K 13,826.

F. CO-OPERATIVE EDUCATION

As Co-operative Education and Co-operative Business are interdependent, the progress in business side should go hand in hand with education work. History of Co-operation in Burma has repeatedly shown, that the main cause for either failure or slow progress in the Movement lies in the lack of co-operative education. Despite setbacks, the Department is gradually extending this side of the

Name of co-operatives that volunteered to run the show	Site of Shops	Turnover between Oct. 1, 1959 and Jan. 31, 1960
(1) Rangoon District Wholesale Society ...	Near Kamayut Bazaar ...	K 1,26,665
(2) do ...	At Kanbe Myoma Council's Bazaar.	1,12,098
(3) do ...	At Junction of Thingangyun Road.	1,10,685
(4) do ...	Shwegondaing Junction ...	1,04,557
(5) Botataung Avenue Conco ...	Junction of 49th Street and Bandoola Road.	2,82,385
(6) Theinbyu Concos ...	Near Amezay ...	1,99,662
	Total ...	9,36,052

Movement, and is now showing appreciable progress.

(1) *Discussion Groups and Lectures.*—The following is a comparative statement of

discussion groups held and lectures given during the period under report and the corresponding period last year:

	Discussion groups held		Lectures given	
	Oct. 1, 1957 to Dec. 31, 1958	Oct. 1, 1958 to Dec. 31, 1959	Oct. 1, 1957 to Dec. 31, 1958	Oct. 1, 1959 to Dec. 31, 1959
Number of Towns ...	37	33	37	33
Number of times held or given ...	197	442	249	471
Number of attendance ...	2,380	4,104	10,978	18,670

(2) *Co-operative Film Shows.*—During the period under report, the International Co-operative Alliance and Asia Foundation have presented the National Co-operative Council and the Co-operative Societies Department

respectively. a mobile film unit each, complete with projectors, films, etc. Between January 1, 1959 and January 31, 1960 films were shown 106 times in Rangoon and in Districts, with an estimated attendance of 69,760.



Government Staff Shop established under the Civil Supplies.

II. The Civil Supplies Management Board

The Civil Supplies Management Board is the key agency of the Government for controlling the supply and prices of essential commodities and as such it has been vested with powers for the effective execution of this duty in accordance with the policy of the Government.

During the period under report it played a vital role in carrying out the policy of Bogyoke Ne Win's Government in the task of suppressing economic insurgency and bringing down the cost of living, and to the extent that the Government has achieved its aim it may be said that the Board has effectively carried out the necessary measures.

The Table appended (Table A) shows the retail price indices of selected commodities in Rangoon during 1958 in comparison with March, November and December 1959. A significant fall in the price index of almost all items can be noticed in March 1959 and allowing for seasonal factors the November and December 1958 indices also portray appreciable decline in many items.

A further study of the interim consumer price index for low-income households in Rangoon (Table B) reveals clearly the drop in the cost of living from a composite index of 112·3 for 1958 to 99·7 for 1959.

Analysing the various measures adopted to attain the aforementioned achievement the most relevant factor attributable to this success is the co-operation and co-ordination between the various Government bodies.

Co-ordination between the Committee for the suppression of economic insurgents, the Co-operative Societies, the JVCs and the Civil Supplies Management Board stabilized the flow of goods whilst the co-operation of the Army, the Police and the BSI enabled the enforcement of regulations regarding the distribution trade.

In alignment with the Government's policy, the pricing and distribution system of all commodities sold by the Civil Supplies Management Board was reviewed and as a result prices were reduced to the minimum and the previous rationing system was replaced by a wider distribution scheme which ensures that commodities reach the *bona fide* consumer rather than disappear in the blackmarket.

Under this new system daily consumption goods such as milk, sugar and textiles can be conveniently purchased from Co-operatives and Army sponsored retail shops. Building materials can also be purchased at reasonable prices from the following retail shops which have been spread out in the Rangoon area for easy access:

- (1) Pazundaung.
- (2) Near Thakin Mya Park.
- (3) Tamwe.
- (4) Sanchaung.
- (5) Ahlone.

Furthermore 23 fair-priced shops, popularly known as Butterfly Shops because of their design, have been opened in various sections of Rangoon, where commodities imported by the JVCs, Co-operatives and the Civil Supplies Management Board are sold to the public. Of these 25 shops 5 are managed by the JVCs, 6 by the Co-operatives and 12 by the Civil Supplies Management Board; those managed by the Civil Supplies Management Board being situated as follows:

- (1) Corner of Anawrahta and 34th Street.
- (2) Upper Pazundaung.
- (3) Bo Aung Gyaw Street (Near Strand Road).
- (4) Tamwe.
- (5) Yankin.
- (6) Kamayut.
- (7) Kemmendine.
- (8) Sanchaung.
- (9) Sinnin Kwetthit, Ahlone.

- (10) Lanthit Street.
- (11) Shwedagon Pagoda Road.
- (12) Lower Pazundaung.

Besides these shops the Civil Supplies Management Board has already made preparations for the construction of a 5-storeyed department store at the corner of Strand Road and Shwebontha Street in Rangoon, where a greater variety of goods will be sold to the public.

The above measures, by widening the distribution system, helped appreciably in stamping out black marketeering.

Existing regulations imposed under the Imported Essential Commodities Storage Control Order, 1957, were strictly enforced to prevent illegal hoarding of goods imported by private traders. Combined action by the Army, Police, BSI and the CSMB resulted in many profiteers being penalized for the contravention of these regulations.

This storage control order which was previously applicable only in the Rangoon, Insein and Hanthawaddy Districts was extended to Mandalay District in January 1959 and since 1st January 1960, Myingyan, Amherst, Shwebo and Prome Districts have been included in the scope of this order.

While these measures combined with regular imports of essential commodities by the Civil Supplies Management Board made it possible to maintain a constant supply of commodities for public consumption, it was further necessary to prevent traders from charging exorbitant prices and for this purpose the Civil Supplies Management Board imposed restrictions on the profit margin chargeable by traders of certain imported essential commodities. Display of price tags on specific items was also made compulsory and these regulations made shopping much easier and cheaper.

To promote the local textile dyeing and printing industry, chemicals and dyes were included into the range of declared essential commodities and necessary control orders were introduced to ensure the supply of these raw materials at reasonable prices.

The supply of raw materials for other local industries was also taken into consideration and the Civil Supplies Management Board has decontrolled the local trade in grey cotton yarns.

With regard to daily consumption goods such as tea, coffee, bread, flour, firewood, charcoal and other local products, traders were requested to charge reasonable prices but wherever these appeals were ineffective the Civil Supplies Management Board was forced to control their prices as in the case of charcoal, poultry, fish and meat.

Malpractices like adulterating and importing imitations of essential medicines were found to be causing an unnecessary wastage of foreign exchange and at the same time were being detrimental to public health. This was halted when the Civil Supplies Management Board in a joint venture with the BPI formed the Rangoon Drug House Ltd. for the purpose of importing and distributing genuine medicines and drugs.

Plans are also under consideration by the Civil Supplies Management Board to erect a textile weaving factory at Meiktila and to enter into a joint venture with the DSI and a foreign technician for the construction of a modern bleaching plant. These projects will foster considerable savings in foreign exchange and promote self-sufficiency in textiles.

The Civil Supplies Management Board is also participating in Government's "Greater Rangoon" scheme by advancing a loan of K 20 lakhs to the Building Materials Merchandising Committee sponsored by the Army, which is selling

local building materials such as bamboo, timber and *dhani* roofing required for rehabilitation in the new areas. In accordance with the agreement between the Civil Supplies Management Board and the Ministry of Defence K 15 lakhs out of the above loan of K 20 lakhs has already been repaid.

Government Staff Shops which cater to employees in Government Departments, Boards and Corporations have been opened in major towns throughout the Districts and the services of the main Staff Shop at Rangoon has been extended so that at present Government officials drawing salaries of K 600 and above are able to purchase directly from this shop.

Other Government employees in Rangoon are also able to purchase at least once in every two months on the bulk issue system from the Staff Shop at Rangoon. This facility to Government employees enables them to purchase essential textiles, toilet requisites, food, and other sundry items at prices far cheaper than those prevailing in the market.

A subsidiary function of the Civil Supplies Management Board is liquor distribution which is gradually being handled by the Civil Supplies Management Board throughout the country. Liquor establishments were extended to the following nine Districts during the Bogyoke Government's tenure:

- (1) Pyapon,
- (2) Mergui,
- (3) Tavoy,
- (4) Thayetmyo,
- (5) Magwe,
- (6) Minbu,
- (7) Monywa,
- (8) Shwebo, and
- (9) Sagaing.

At present the Civil Supplies Management Board also operates distilleries in Rangoon and other towns for the manufacture of country spirit besides retailing the country fermented liquor produced by the BPI. However, arrangements are underway for future liquor production to be carried out entirely by the BPI for the whole of Burma to enable the Civil Supplies Management Board to carry out its normal task of distribution efficiently.

Regarding the wheat flour which the Canadian Government is presenting as a gift to the Burma Government under the Colombo Plan, the Civil Supplies Management Board has undertaken the responsibility for its import and distribution will be made through the JVCs.

Furthermore, new supply depots have been opened by the Civil Supplies Management Board in the following Districts during the Caretaker Government:

- (1) Naga Hill Tracts, Homalin.
- (2) Upper Chindwin District, Mawlaik.
- (3) Kyaukme District.

In conclusion it may be stressed that the Civil Supplies Management Board has concentrated its effort in the task set out by the Caretaker Government, that is, the reduction of the cost of living by ensuring a constant supply of essential goods at fair prices to the public.

In the course of this activity strict measures had to be adopted to suppress unscrupulous traders but these actions were directed within the scope of the powers entrusted to the Civil Supplies Management Board and its Commissioner, for the sole benefit of the consumer public and indigenous local industries.

TABLE "A"

Retail Price Indices of selected commodities in Rangoon

Base : 1st Oct. 1956=100.

Serial No. (1)	Commodity (2)	1958 November (3)	1959 March (4)	1959 November (5)	1959 December (6)
FOOD ARTICLES		K	K	K	K
1	Rice ...	99	96	117	121
2	Wheat and Flour ...	84	69	75	73
3	Pulses and Dhals ...	106	91	102	106
4	Oil and Fats ...	169	135	159	155
5	Spices and Condiments ...	197	130	177	179
6	Meat ...	95	75	80	80
7	Eggs ...	95	95	98	98
8	Dried Prawn ...	80	72	83	84
9	Dried Fish ...	106	74	81	83
10	Sugar ...	104	88	80	83
11	Ngapi ...	110	105	101	101
12	Other Foods ...	98	89	104	102
TOBACCO					
1	Cigarettes ...	93	90	88	88
TINNED PROVISIONS					
1	Milk Powder (Spray dried) ...	...	...	85	85
2	Milk Powder (Malted Milk) ...	93	84	92	91
3	Condensed Milk ...	94	75	83	83
4	Butter Canned ...	123	82	83	83
5	Cheese ...	173	114	118	113
6	Jam ...	130	108	113	111
7	Margarine ...	134	104	96	96
8	Cocoa ...	170	...	...	...
9	Coffee ...	118	89	83	85
10	Tea (Foreign) ...	187	185	191	189
11	Fish Canned ...	99	78	70	71
12	Canned Fruits ...	125	121	108	103
13	Table Soup ...	104	172	184	170
14	Baking Powder ...	130	109	113	114
15	Canned Beef ...	209	201	...	...
16	Corn Flour ...	91	93	93	94
17	Medicinal Salts ...	149	122	126	128
TEXTILES					
1	Longcloth ...	82	67	61	61
2	Poplin Shirting ...	97	87	...	...
3	Poplin, White ...	88	...	69	70
4	Twil ...	157	123	...	...
5	Haircord ...	89	75	84	85
6	Drill ...	97	75	...	...
7	Spun Rayon ...	128	130	...	...
8	Mull ...	43	35	34	32
9	Flannellette ...	86	89	95	99
10	Velveteen ...	132	132	158	174
11	Nylon ...	74	74	95	98
12	Men's Longyis ...	97	94	97	98

TABLE "A"—concl'd.

Retail Price Indices of selected commodities in Rangoon—concl'd.

Base: 1st Oct. 1956=100.

Serial No. (1)	Commodity (2)	1958 November (3)	1959 March (4)	1959 November (5)	1959 December (6)
	TOILET REQUISITES	K	K	K	K
1	Face Powder ...	104	96	92	92
2	Talcum Powder ...	67	55	56	56
3	Face Cream ...	115	104	107	105
4	Hair Cream ...	101	95	95	91
5	Perfumery ...	193	184	...	...
6	Toilet Soap ...	137	109	117	114
7	Tooth Paste ...	77	71	79	78
8	Tooth Brush ...	131	99	85	85
9	Blades and Razors ...	160	129	143	152
	ELECTRICAL GOODS				
1	Bulbs ...	52	46	43	43
2	Wire ...	146	117	110	108
3	Fans ...	...	...	...	...
4	Miscellaneous ...	96	86	83	83
	FUEL AND LIGHT				
1	Fuel and Lighting ...	104	101	102	102

TABLE "B"

Interim Consumer Price Index of Low-income Households in Rangoon

Base: 1952=100

Period (1)	Compo- site (2)	Food and Bever- ages (3)	Tobac- co (4)	Cloth- ing and Textiles (5)	Fuel and Light (6)	Rent and Repairs (7)	Miscel- laneous (8)
	K	K	K	K	K	K	K
1953 ...	102'3	101'2	101'4	104'1	99'2	100'7	111'1
1954 ...	99'2	94'1	100'1	110'6	96'8	100'8	119'2
1955 ...	104'4	99'6	103'0	124'5	99'3	102'4	120'7
1956 ...	112'0	106'1	113'4	151'2	100'8	103'1	120'1
1957 ...	116'5	115'6	109'4	124'2	103'6	104'2	120'9
1958 ...	112'3	113'2	115'9	114'0	97'5	100'2	121'1
1959 ...	99'7	95'6	105'8	109'8	89'7	97'8	117'9

Source: Central Statistical and Economics Department.

States

States

- 26. MINISTRY OF SHAN STATE
- 27. MINISTRY OF KACHIN STATE
- 28. MINISTRY OF CHIN AFFAIRS
- 29. MINISTRY OF KAREN STATE
- 30. MINISTRY OF KAYAH STATE

Ministry of Shan State



Sao Hom Hpa, Minister

The recent installation of the democratic administrative machinery in the Shan State during the Bogyoke Government is a matter of such a historic achievement that it cannot be left un-recorded in the annals of the history of the Union of Burma. From time immemorial and throughout the British regime and up to April 24, 1959, the Shan State was divided into 33 *Sawbwa* States and ruled by *Saohpalongs* and *Saohpas*, the feudal lords and their descendants according to their customary laws.

By attainment of Independence, the pattern of administration in Burma proper was changed to a social democratic form of government, while that of the Shan State continued to remain feudal. This incompatible state of affairs no longer fitted in with the present trend of events and required re-orientation.

Attempts had been made since 1952 to change the feudal form of administration in the Shan State but nothing further than just a declaration by the *Saohpas* to renounce their hereditary rights to

administrative, judicial and revenue powers materialized.

In the change of Government in the Union, *Thado Maha Thray Sithu* Sao Hom Hpa, the *Sawbwa* of North-Hsenwi, became the Head of the Shan State Government. Due to his untiring efforts, the *Saohpalongs* and *Saohpas* signed the agreement relinquishing their hereditary, administrative, judicial, and revenue powers on April 24, 1959.

The ratification of this agreement at the Shan State Council on April 27, 1959 is taken as the clarion call for "the dawn of the New Era of Administration in the Shan State."

The passing of the amendment to Section 154 (2) of the Constitution of the Union of Burma by Joint Session of Parliament in March 1959 puts a stop to the privileges so far enjoyed by the *Saohpalongs* and *Saohpas* of representation in the Chamber of Nationalities without a popular election. However, they are amply compensated by having the privilege to stand for election to either Chamber of Parliament.

This will come into force on the day after the day on which the next elected Chamber of Deputies is dissolved.

This amendment therefore is a gain to the electorate as well as to the *Saohpalongs* and *Saohpas* as democratic rights will, henceforth, be fully exercised by all concerned.

The *Saohpalongs* and the *Saohpas* will now have the right to represent the people of the Shan State in both the Chambers of Parliament, but such representation to be made possible only by popular election of the electorate.

(A) GENERAL ADMINISTRATION

Under the new set-up of administration in the Shan State, the *Sawbwas*' States have been grouped into Divisions,

Districts, Subdivisions and Townships as follows:

1. Northern Shan State Division.

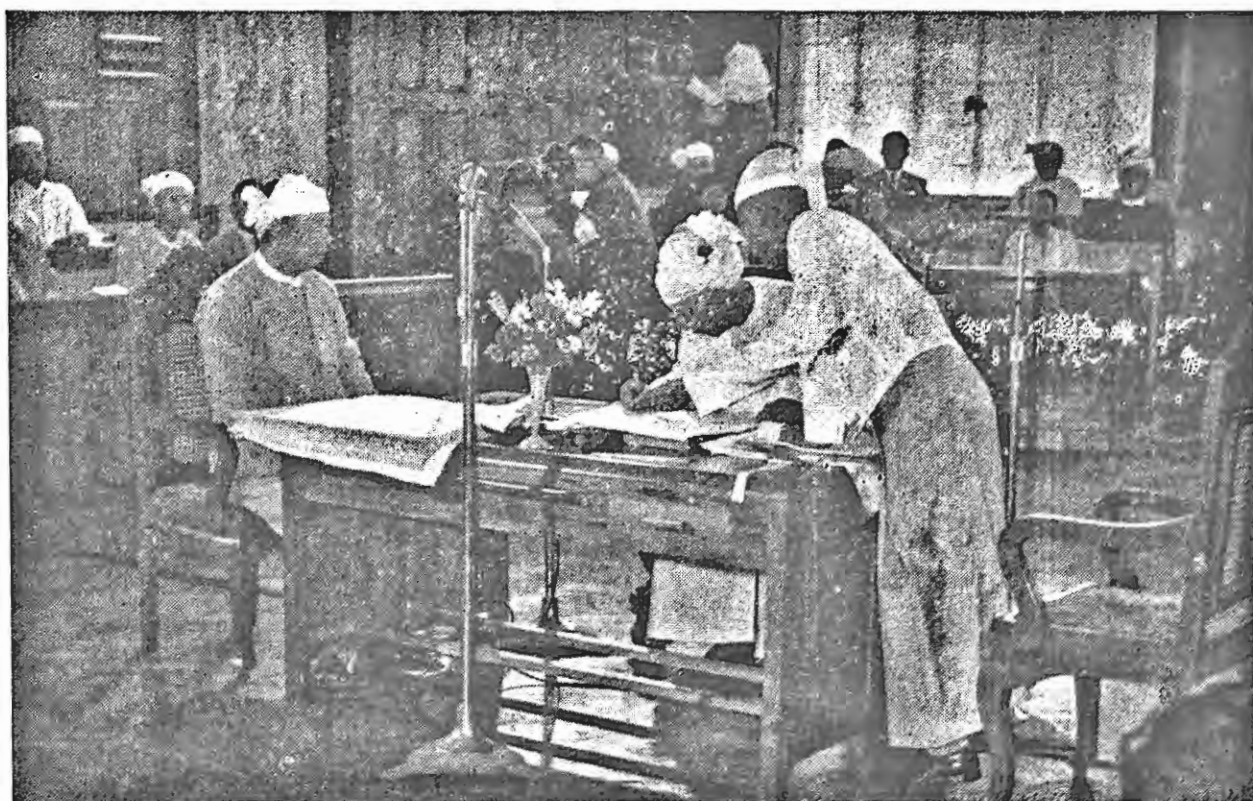
[Divisional Commissioner's Headquarters, Lashio.]

LASHIO DISTRICT.

- | | |
|---------------------------|------------------------|
| (a) Kutkai Sub-division. | (1) Hsenwi Township. |
| | (2) Kutkai Township. |
| | (3) Mongyaw Township. |
| | (4) Mongyin Township. |
| (b) Namhkam Sub-division. | (1) Namhkam Township. |
| | (2) Muse Township. |
| (c) Mongyai Sub-division. | (1) Mongyai Township. |
| | (2) Tangyang Township. |

KYAUKME DISTRICT.

- | | |
|---------------------------|-------------------------|
| (a) Mongmit Sub-division. | (1) Shweli Township. |
| | (2) Kodaung Township. |
| | (3) Momeik Township. |
| (b) Kyaukme Sub-division. | (1) Hsipaw Township. |
| | (2) Kyaukme Township. |
| | (3) Nawngkhio Township. |
| | (4) Monglon Township. |
| | (5) Mongtung Township. |
| (c) Namtu Sub-division. | (1) Namhsam Township. |
| | (2) Mongngaw Township. |
| | (3) Bawdwin Township. |



The Head of the Shan State and other *Sawbwas* sign the document voluntarily renouncing their feudal rights and privileges.

2. Southern Shan State Division.

[Divisional Commissioner's Headquarters,
Taunggyi.]

TAUNGGYI DISTRICT

- | | |
|---------------------------|--|
| (a) Kalaw Sub-division. | (1) Loilong Township.
(2) Aungban Township.
(3) Pindaya Township. |
| (b) Lethet Sub-division. | (1) Yawnghwe North Township.
(2) Yawnghwe South Township.
(3) Lawksawk Township. |
| (c) Tanphet Sub-division. | (1) Hopong Township.
(2) Wanyin Township.
(3) Pekhone Township.
(4) Bekin Township. |

LOILEM DISTRICT..

- | | |
|-------------------------------|---|
| (a) Loilem Sub-division. | (1) Mongnai Township.
(2) Kenglung Township.
(3) Laikha Township.
(4) Panglong Township. |
| (b) Lenghko Sub-division. | (1) Lenghko Township.
(2) Mongpan Township.
(3) Mawmai Township. |
| (c) Kehsimansam sub-Division. | (1) Mongnawng Township.
(2) Mongkung Township. |

3. Eastern Shan State District.

1. North Kengtung Subdivision.
2. South Kengtung Subdivision.

The states in the Taunggyi and Loilem Districts and the states in the Kyaukme and Lashio Districts were brought directly under the control of the Shan State Government with effect from May 1, 1959 and September 1, 1959 respectively. Only two states remain to be taken over, that is, Monglun State in the North-East Special District and Kengtung State in the Eastern Shan State District. It is intended to take over these two states by September 1, 1960.

The people living in the North-East Special District of Shan State, if compared with other districts, have disadvantages in their standard of living, as well as in education and health due to difficulties in communication. With a view to developing and promoting their welfare, the Head of the Shan State has declared the following

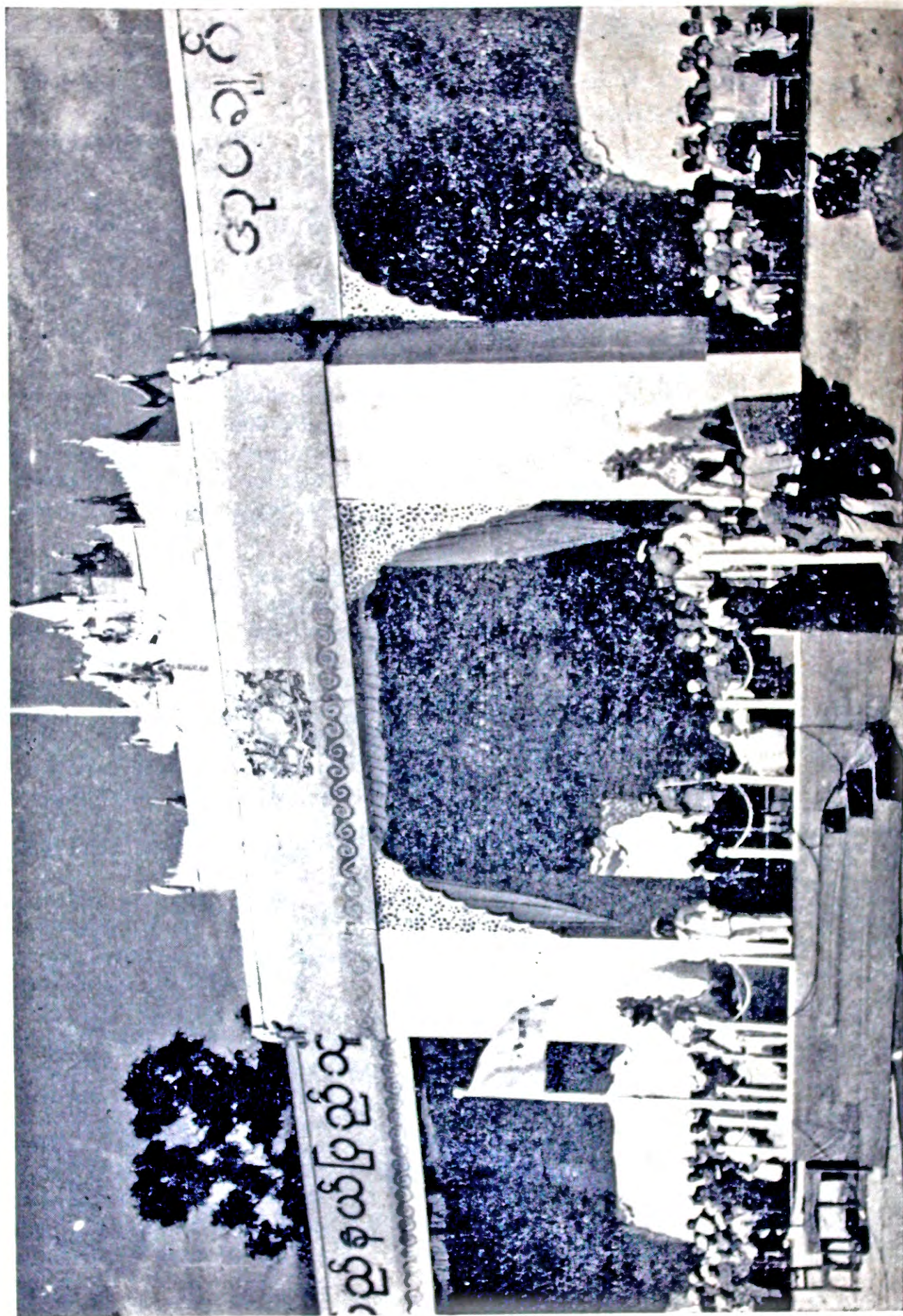
places: Wa State, Kokang State and Pan San Circle in Monglun State as Special Frontier Areas and placed them with effect from January 2, 1960 under the control of Special Frontier Areas Administration of the Union Government.

(B) SHAN STATE COUNCIL

During this period, three Shan State Council Emergency Meetings were held and an Ordinary Shan State Council Meeting was also held.

The Shan State Council Emergency Meeting which was held in the Council Room in Taunggyi on April 27, 1959, in connection with the renunciation of powers by the *Saohpalongs*, adopted the following 6 motions:

- (1) That the Shan State Council accepts the special allowance provided by the Union Government as commuted pension.
- (2) That the Council agrees to ratify the Instruments of Agreement between the Shan State Government and the *Saohpalongs* whereby all the powers enjoyed by the *Saohpalongs* would be handed over to the Shan State Government.
- (3) That in the interests of the Shan State, the *Saohpalongs* shall transfer their respective administrative powers to the Shan State Government.
- (4) On transfer of powers by the *Saohpalongs* to the Shan State Government the Council shall approve in accordance with Section 161 (1) of the Constitution of the Union of Burma of such authority resting with the Head of the Shan State, or with whosoever may be appointed by him on his behalf for the exercise of such powers.



Prime Minister Gen. Ne Win delivers an address at the ceremony in Taunggyi marking the ushering in of a democratic form of government in the Shan State

(5) Such powers falling within the jurisdiction of the administration of the Union of Burma, it was agreed that these be dealt with appropriately by the Union Government on its behalf and in the best interests of the Shan State Government.

(6) That since it was not possible at this time to fix equal rates of taxation for all areas in the Shan State, the Council agreed to form a Committee to review and advise on the rates of taxes and revenue with a view to fixing a uniform rate of taxation in the entire Shan State.

After the transfer of powers by the *Saohpalongs*, the entire State Police Force, excluding the Police Forces of the Eastern Shan State and the North-East Special District, was taken over and centralized with the Shan State Government Police Force.

(C) EDUCATION DEPARTMENT

(1) *School Term*.—As usual, Government schools reopened on June 1, 1959. During the year some Primary Schools were raised to Middle Schools and some Middle to High Schools. This is being done annually. New Primary Schools are also opened.

(2) *Comparative Statement showing the progress*

List of schools from 1-9-57 to 31-10-58				List of schools from 1-11-58 to 31-12-59			
Schools	No. of schools	Tea- chers	Pupils	Schools	No. of schools	Tea- chers	Pupils
1. High School.	18	330	10,569	1. High School.	20	342	11,365
2. Middle School.	34	247	8,379	2. Middle School.	44	328	12,505
3. Primary School.	409	665	26,178	3. Primary School.	411	680	32,245
Total ...	461	1,242	45,126	Total ...	475	1,350	56,115

According to the above statement, the increase over last year is 2 High Schools, 10 Middle and 2 Primary Schools. Besides, 108 teachers have been newly appointed.

(3) *Management*.—In addition to the Principal Education Officer, 2 Inspectors of Schools, 2 Assistant Inspectors of Schools and 8 Deputy Inspectors of Schools are discharging their respective duties and managing the schools.

As approved and sanctioned by the Shan State Government, two new posts of Inspector of Schools were created with effect from February 1, 1959.

(4) *School Buildings*.—School buildings in the big towns of the Shan State are

mainly Government buildings. Some of the school buildings in the villages are constructed with Pyidawtha funds, with the help and aid of villagers. In future when the Government's financial position improves, the Government will take the responsibility of building Government schools in the Shan State. This will be done yearly according to the plan laid down.

From the Shan State Government's fund a new Primary School was constructed at a new site in place of the Government Primary South School.

Thus, the increase in the number of schools, teachers and buildings clearly shows the progress and improvement made by the Shan State Education Department.



The President of the Union takes the salute during the ceremony marking the ushering of a democratic form of government in the Shan State

(D) HEALTH AND MEDICAL DEPARTMENT

In accordance with the progressive policy of the Shan State Government, improvement and expansion works have been carried out in the Medical Department.

The standard of medical services rendered in the Shan State and providing additional facilities for treatment of patients have progressed remarkably up to the date of this report and evidently medical services are being appreciated by the people, judging from the daily increase of number of the patients seeking treatment in hospitals and dispensaries.

The field of medical relief work has been expanded to such an extent after centralization of Kengtung State took place from 1st June 1959.

The total number of hospitals and dispensaries in the Shan State Medical Department have been increased by one

100-bed hospital at Kengtung and four dispensaries at Mongping, Mongpyak, Mongyawng and Monghsat. In order to enable the public in Kengtung State to receive proper medical attention wherever needed, appointment of two additional Civil Assistant Surgeons and one Matron has been sanctioned and they have been posted to Civil Hospital, Kengtung.

Besides, five qualified Nurse-Midwives who passed out from the Taunggyi Nurses Training Centre were also sent to fill the vacant posts. Due to proper attention and arrangements made beforehand, the required number of qualified staff could be easily engaged in time for continuance of the functions of these institutions.

The Shan State Government, with the object of having a modern hospital building and staff quarters at Tachileik, the civil station, situated at the Burma-Thai

border, accorded sanction for construction of one 10-bed hospital building and staff quarters.

Financial sanction for this purpose has also been accorded. A further fund of K 1,00,580 is also approved by the Shan State Government to provide in the budget estimates of 1960-61, for construction of staff quarters and other essential buildings. Appointment of one Civil Assistant Surgeon and two Nurse-Midwives has also been sanctioned as from 1st September 1959.

The total fund of K 6,24,700 for Major and Minor Works, for construction of medical buildings, has also been provided in the current year's budget.

The Medical and Health Departments which were separated and placed under the control of Principal Medical Officer and Principal Health Officer respectively since 1st October 1954, have been re-amalgamated with effect from the 1st September 1959, as one department which is now being run by the Principal Health Officer. In order that the working of the Department may acquire full efficiency the posts of two deputies were also created.

Consequent on amalgamation of Medical and Health Departments, a Medical Conference was held for the first time at Taunggyi, in September 1959.

The following annual budget figures give some indication of the improvement effected so far in the whole of Shan State in medical services to the public.

	K
1956-57	... 17,04,300
1957-58	... 18,86,600
1958-59	... 18,83,700
1959-60	... 20,19,000

With the object of improving the medical personnel in their professional education,

one graduate was deputed to America for further training, and arrangements are in hand to nominate some medical graduates for further studies abroad.

Distribution of medicine chests containing non-dangerous medicines for simple ailments for sick people far from hospitals and dispensaries is being carried out as a subsidiary form of medical relief work for the department.

(E) AGRICULTURAL DEPARTMENT

The most outstanding feature of the General Ne Win Government is the joint effort of Burma Proper and the States in improving the economic condition of the Union as a whole. Agriculture, being the mainstay of the Union in the economic field, is given full support and top priority everywhere.

(1) *Groundnut Expansion Project.*—The first project implemented in the Shan State is the expansion of groundnut cultivation for self-sufficiency in oil. The project was carried out in the whole of the Shan State with the 1958-59 budget provisions from the Agricultural and Rural Development Corporation. The total expanded area was 35,295 acres and the Shan State's increased income is estimated at K 4.2 million.

The All-Burma Agricultural Conference held on August 19, 1959, decided to increase a further 46,350 acres under groundnut in the 1960 early rains and the Shan State quota has been fixed for 33,000 acres. And it is most essential that the Union Government should continue to contribute the required staff and capital outlay for the successful implementation of this project.

Convincing result of this project in the previous year would serve to indicate that the 33,000 acre-expansion in the Shan

State, out of the total area of 46,350 acres in 1960 for the whole Union, deserves further Union aid this year.

(2) *Wheat Expansion Scheme.*—Multiplication of Rust Resistant varieties of wheat from the selected strains obtained from the Taunggyi Experimental Station was done during the year 1959.

The Shan State Agricultural Department is trying to save the drain on foreign exchange lost through annual import of 30,000 tons of wheat, by expansion of the wheat area up to 100,000 acres.

A Wheat Breeding Programme and essential research work is being undertaken by this department and in September 1959, about 1,380 varieties of wheat from abroad were sown for observation and selection.

Varieties already selected from the Taunggyi Research Station were sent to various agricultural stations within the Union for further traits regarding their performance under varying climatic conditions.

(3) *Soya Bean Cultivation Scheme.*—Selected strains of Soya Bean, commensurable with the exported varieties in the foreign market, are to be grown on a 2,000-acre farm on a commercial basis in early 1960.

Although there are a lot of waste land suitable for Soya Bean cultivation, the cultivation drive could not be speeded up as in the case of groundnut, since the late monsoon showers caused harvesting difficulties to the growers.

In any case, it has been planned to expand from 6,000 acres in 1960 to 10,000 acres in 1961 and 15,000 acres in 1962.

(4) *Land Use and Extension Work.*—Beginning from March 1959, the Soil

Conservation Department and the Agricultural Department were amalgamated with a view to carrying out proper land use and extension work on sound soil conservation principles.

Afforestation Schemes, Soil Erosion Control Measures, contour ploughing and planting, which are of vital importance for proper land-use, were effectively demonstrated and carried out throughout the Shan State. Arbor Day was also held.

(5) *From Experimental to Commercial Agriculture.*—With an estimated area of 5.7 million acres of crop land, it is envisaged that the present method of crop production could hardly put the Shan State's Land Resources to full use. The Shan State Government has already taken steps to speed up its agricultural production through mechanization with tractors procured through Japanese Reparations.

Convincing results from mechanization in the groundnut expansion scheme have been obtained.

The Shan State's agricultural income is increasing year by year. But estimates of such income for each district could only be compiled this year and are shown in the following table:

Agricultural Income in 1959

<i>District.</i>	<i>Income from Agricultural produce.</i>		
Kyaukse ...	24.95	million Kyats	
Lashio ...	6.20	" "	
Kengtung ...	1.35	" "	
Loilem ...	12.50	" "	
Taunggyi ...	15.40	" "	
GRAND TOTAL ...	60.40	" "	

(F) PUBLIC WORKS DEPARTMENT

During this period the following important major building works were put in hand and completed or are nearing completion.

(1) *From Ordinary Budget.*—

- (a) Extension of Shan State Secretariat at Taunggyi for K 1,14,900 (completed).
- (b) Constructing 2 Primary School Buildings at Taunggyi for K 1,00,000 (completed).
- (c) Construction of Office Building at Lashio for Commissioner and some Departments at Lashio for K 2,00,000 (nearly completed).
- (d) Constructing Police Station at Tachileik for K 1,00,000 (nearly completed).

(2) *From 3-Year Plan Special Aid.*—

- (a) Construction of Banqueting Hall at Taunggyi for K 2,00,000 (completed).
- (b) Constructing Government High School at Yawnghwe for K 1,00,000 (completed).
- (c) Constructing Government High School at Pindaya for K 1,00,000 (completed).
- (d) Constructing Residence for Head of State at Taunggyi for K 3,00,000 (nearly completed).
- (e) Extension to Secretariat Building at Taunggyi for K 1,00,000 (completed).
- (f) Constructing Police Station and barracks at Yawnghwe for K 2,00,000 (in progress).
- (g) Constructing combined residence and D.S.P's Office at Kyaukme for K 1,10,000 (in progress).

(3) *Communications.*—Regarding communications, in addition to the 22 carry-over works of improvements to various roads in the Shan State, the following new works have been put in hand and are being executed by the Army and this Department jointly.

- (a) Improvements to Shwenyaung-Lawksawk-Indaw-Kyaukku-Namlan Road for K 7,36,000.

- (b) Construction of Tachileik-Wan Pa Sa Road for K 9,22,500.

Works done on behalf of the Union Government are as follows:

- (c) Improvements to Meiktila-Thazi-Kengtung-Tachileik Road for which a fund of K 9,22,500 was given this year for the section from Takaw to Kengtung; K 75,000 for strengthening Kunhing Bridge on this road and K 1,00,000 for construction of a new ferry to transport machinery at Takaw.

In addition to the above Original Works normal maintenance of 2,361 miles of roads was executed in 1958-59 and in 1959-60 the mileage increased to about 4,360 miles due to centralization and taking over about 2,000 miles of State Roads.

(G) FOREST DEPARTMENT

1. *Departmental Activities.*—All the items of work carried out are according to the existing Working Plans.

- (a) *Girdling.*—22,089 trees were girdled for the State Timber Board at a total cost of K 24,874.70.
- (b) *S.F. Marking.*—41,424 tons of Hardwoods were S.F. marked for Licenses for K 3,638.75.
- (c) *Road Repairs.*—176 miles 3 furlongs of cart roads were repaired for all Divisions costing K 6,870.
- (d) *Buildings—New Construction.*—In Mong Mit and Southern Shan State Divisions five new buildings were constructed for Foresters' quarters and Forest Rest Houses at a cost of K 19,000.
- (e) *Planting.*—In Mong Mit Division, road-side planting was carried out and a Park was also maintained by the Forest Department. At Taunggyi and Lashio, seedlings from nursery beds were distributed to the public, Municipalities, Army and the Russian

Hospital (Taunggyi) according to their requirements. Arbor Day was celebrated in a befitting manner on 9th August 1959 at the Hti Thein Water Reservoir, Taunggyi, with the Head of the Shan State, Ministers, Army Commander and Officers of the 4th Infantry Brigade participating. Thousands of seedlings were planted in areas surrounding the reservoir. In the Northern Shan State, planting of trees was also carried out at Kutkai over an area of 50 acres. Thinnings from the coppice growth of oak and chestnut were sold to the public at a moderate rate.

2. *Working Plans*.—This was already sanctioned but due to insufficient funds for full entertainment of the increased staff required, the Shan State Government approved of the appointment of the extra staff in three stages.

During the present Caretaker Government, the total revenue received was K 35,93,408.35 and the expenditure K 1,07,060.45 respectively.

3. One of the most outstanding events during this period was the wise and magnanimous surrender of powers by the *Saohpalongs* of the Shan State to the Shan State Government. Due to this change-over, decontrolled forests will now revert to the control of the Forest Department and necessary notifications will have to be made soon.

Since the *Saohpalongs* also forfeited their share of forest revenue received from their respective States, there will be a substantial increase in the revenue of the Forest Department hence. Some existing forests should now be protected under the Burma Forest Act and some unclassed forests also should be demarcated for the purposes of reservation. The Forest Department will there-

fore have plenty of work on their hands in the years to come.

(H) RELIGIOUS DEPARTMENT

There was no Religious Department in the Shan State previously. This Department came into existence in April 1959.

Consequent on formation of that Department, various matters relating to Buddhism in the Shan State are now being tackled, and it is planned to further promote Buddhism in the State.

(I) INFORMATION AND CULTURE DEPARTMENT

The Shan State Information Department was amalgamated with the Shan State Culture Department in October 1959 and maintained its progress to serve the best interests of the public.

This Department, with its own press, issues Shan State Forum Bulletin bi-monthly throughout the Shan State up to a maximum of 5,000 copies.

Public Cinema Shows are performed even in the remote places in the Shan State.

This Department also produces some moving pictures such as those on the ceremony of the Transfer of Power by the *Saohpalongs* in April 1959, which may be considered as one of the historic events in the Shan State.

(J) LAND RECORDS DEPARTMENT

Besides its routine jobs of *Kwin* Survey, fixation of assessment rates, and holding marking, the Land Records Department of the Shan State Government is enlarging its scope by taking in soil classification work

As an independent country, it must tap all the natural resources to enrich its

economy. Soil classification is one which shows the right kind of soil for the right type of crops and which at the same time prevents wastage by not growing the wrong type of crop on unsuitable soil.

It is a correct step that will definitely help to recoup the State financial deficiency.

(K) VETERINARY DEPARTMENT

The peace and tranquillity during the Bogoyoke Government enhanced the progress of work, as will be shown by the attached comparative statements.

Burma being an agricultural country, its economy is bound up with the abundance in number of animals and their state of health. The Veterinary Department of the Shan State Government therefore should be commended for its valuable efforts.

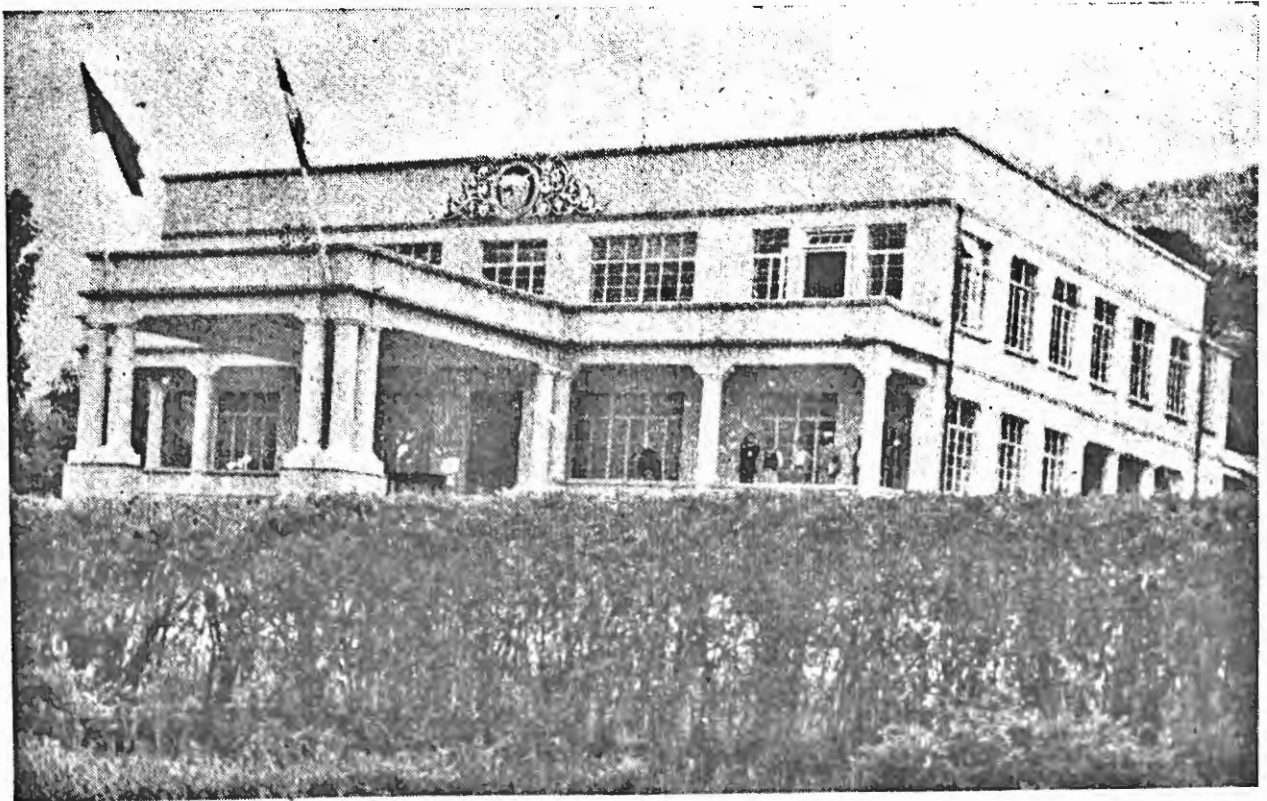
The appointment of one Veterinary Inspector at Kengtung and one Gazetted Veterinary Officer at Naungcho breeding

farm are positive steps taken during the period to step up the country's animal husbandry.

Peace and security of the country promises safe touring even to remote areas and as a consequence much preventive and curative measures could be taken by the Veterinary Department for animals of these areas. Besides literature, screen shows and talks on the care of animals have opened the eyes of the villagers.

Four more District Veterinary Hospitals have been established and twelve more Local Veterinary Dispensaries are to be opened in both Northern and Southern Shan State.

For the past ten years, the Shan State Government has had only one depot for poultry farming and cattle breeding to boast about. However, it has been possible to launch more and more farming plans and breeding projects in various areas of the Shan State during the tenure of the Bogoyoke Government.



The Shan State Council building at Taunggyi

Statement showing the activities of the Department from 1st November 1957 to 31st October 1958 (i.e., 14 months before the time of Bogyoke's Government)

Kinds of diseases (1)	Buffalo (2)	Cattle (3)	Pigs (4)	Fowls (5)	Horses (6)	Others (7)	Total (8)
<i>1. Inoculation</i>							
1. Rinderpest ...	39,215	96,621	...	...	...	...	135,836
2. Haemorrhagic Septicaemia Vaccine.	3,158	2,983	...	...	...	...	6,141
3. Black Quarter Vaccine ...	...	150	...	...	...	...	150
4. Anthrax Spare Vaccine	163	670	...	...	...	...	833
5. Swine Fever Vaccine ...	...	...	46	...	...	...	46
6. Swine Plague Vaccine ...	...	...	121	...	...	...	121
7. Raniket Vaccine ...	...	...	...	867	...	...	867
8. Avian Pasturellosis ...	...	...	...	1,565	...	...	1,565
9. Fowl Pox Vaccine ...	...	...	...	296	...	...	296
10. Surra ...	...	...	...	...	239	...	239
GRAND TOTAL ...							146,094
<i>2. Treatment</i>							
1. Ordinary Disease ...	2,795	6,902	...	...	1,098	4,643	15,438
2. Infectious Disease ...	1,838	4,172	...	...	...	...	6,010
GRAND TOTAL ...							21,448

Statement showing the activities of the Department during Bogyoke's Government

Kinds of diseases (1)	Buffalo (2)	Cattle (3)	Pigs (4)	Fowls (5)	Horses (6)	Others (7)	Total (8)
<i>1. Inoculation</i>							
1. Rinderpest ...	34,818	79,504	...	...	...	...	114,322
2. Haemorrhagic Septicaemia Vaccine.	8,505	13,734	...	...	...	...	22,239
3. Black Quarter Vaccine ...	4	687	...	...	...	...	691
4. Anthrax Spare Vaccine	166	554	...	...	...	...	720
5. Swine Fever Vaccine ...	...	...	139	...	...	...	139
6. Swine Plague Vaccine ...	...	...	...	...	...	...	...
7. Raniket Vaccine ...	...	...	...	6,576	...	...	6,576
8. Avian Pasturellosis ...	...	...	...	5,247	...	...	5,247
9. Fowl Pox Vaccine ...	...	...	...	1,191	...	...	1,191
10. Surra ...	...	...	...	...	80	...	80
GRAND TOTAL ...							151,205
<i>2. Treatment</i>							
1. Ordinary Disease ...	3,175	6,856	...	...	931	5,018	16,070
2. Infectious Disease ...	1,474	10,309	...	...	...	...	11,783
GRAND TOTAL ...							27,853

Ministry of Kachin State



Duwa Zau Lawn, Minister

In the Kachin State, the new Prime Minister, General Ne Win, acting in consultation with the Kachin State Council, appointed a Kachin member of that Council, *viz.*, Duwa Zau Lawn, to be the Minister of the Kachin State in the Union Cabinet, in accordance with Section 173 of the Constitution.

Holding, concurrently the office of the Head of the Kachin State, this Minister of the Union Cabinet ensured that some of the reforms drawn up for the rest of the Union were implemented also in the State.

The Kachin State, therefore, also reaped the benefits of the desired changes in the new administration.

These changes were significant and a few of the measures which brought the most benefit to the people are listed below:—

I. Security

(A) DISCIPLINE AND SECURITY COUNCILS

The indomitable leadership provided by Bogyoke and his colleagues fostered

confidence in the masses in general and the government servants in particular.

Influenced no longer by personal or party interests, government servants managed to bring out the latent forces in them and worked cheerfully with tireless energy.

The Security Councils formed all over the country contributed much towards co-ordinating the efforts of army and civilian authorities and the Solidarity Associations, providing the mass support so essential for the uplift of the country.

It was an era of mass activities.

The Security Plan initiated at the Conference of top level army, police and general administration officers soon after Bogyoke assumed power brought together all the available resources of the country for the launching of an intensive campaign against the armed insurrection.

The State Cabinet was impressed with the significant features of the Plan and adopted it with a few modifications to suit

the administrative set-up of the Kachin State.

In so far as the Kachin State is concerned this Plan merely served as a precautionary measure inasmuch as there had not been a single insurgent activity within the State since the insurrection broke out in Burma.

(B) PRICE CONTROL

Besides security measures, the Plan also envisaged a regular supply and distribution of essential commodities at low prices and improvement of sanitary conditions in the towns and villages.

The long lines of communication between Rangoon and Myitkyina and Bhamo, which were quite often disrupted because of insurgent activities, were now safe and secure and regular flow of supplies was thus ensured.

Stringent measures were also taken against hoarding of merchandise and profiteering with the result that the price index showed a definite fall.

(C) SOLIDARITY ASSOCIATIONS

The sanitary conditions showed a marked improvement as the people themselves voluntarily took over the task of cleaning up their own streets and quarters.

Never before had such enthusiasm prevailed and such civic sense displayed.

The driving force was the ardour and energy of the members inspired by devotion to the ideals of the Solidarity Associations.

The Municipal Projects which had been deferred for lack of funds were implemented mainly through voluntary labour.

One striking illustration may be cited where thousands of people cheerfully contributed their labour to carry out a task

which had not been feasible hitherto for want of funds.

The Royal Lakes at Bhamo, which had been a beauty spot pre-war, was clogged up with debris and weeds since the Japanese occupation and thereafter remained a dead-lake and a refuse ground.

The Bhamo Municipality did make serious attempts to reclaim it but was unable to finance the project.

With the cession of the Municipality, the Security Council which took over charge of the town administration revived this project through the Solidarity Associations.

It was a rare sight to find such enthusiasm in voluntary labour as thousands turned up every Saturday to clear the debris away.

The Royal Lakes have now been partly restored to its former scenic beauty and the work is still in progress.

The anti-malarial measures undertaken since 1955 continue in much the same way as heretofore, except that the spraying is now being done by voluntary labour.

The response from the public is adequate, though in hill areas paid labour has still to be employed.

The Solidarity Associations were helpful in organizing the voluntary labour and it is expected that the difficulties encountered in the Kachin State would provide valuable data for launching this scheme in Burma Proper.

II. Village Administration

Another significant feature of the administration is the training given to headmen in village administration.

Mere emphasis on revenue collection and suppression of disorder under the British rule was not conducive to happy social life within the village.

The conception of the village merely as an administrative unit continued and the introduction of a five-year tenure system only helped to weaken the authority of the headmen, with the result that the village administration fell far short of the expectations envisaged by the Pyidawtha Scheme.

After careful consideration, the State Council in February 1959 repealed the amendment act which introduced the

five-year tenure system and re-established the permanent status of the headmanship.

Thus the need to provide training to headmen became imperative in the Kachin State.

Classes were organized with full co-operation of the Army authorities and lectures given in social, economic and administrative aspects of the village life.

The training courses were much appreciated by the headmen who could now face their problems with confidence and a new outlook.



State Ministers and officials take part in the Myitkyina town cleaning campaign

III. Communications

Communications within the Kachin State are primarily by overland transport. Although the Kachin State Government has regularly maintained the roads within the State year after year, it has not been possible owing to lack of funds to improve these roads up to the standard desired.

The Myitkyina-Sumprabum-Putao Road which forms the main highway running from north to south is a motorable road only during the dry season and completely unusable during the rainy weather.

As the end of this road is in close proximity to the northern border of Burma it plays an important part in the commercial life and development of the people in these remote areas.

The Kachin State Government had in their long-term planning provided for funds since 1953-54 to the extent of 16 lakhs to be disbursed over a period of 5 years.

Out of the total length of 218 miles extending from Myitkyina to Putao, the Kachin State Government has already made the first 112-mile stretch an all-weather road, reconditioning the bridges between Myitkyina and Sumprabum to take 3-ton motor vehicles.

In the remaining 90 miles of the road yet to be widened, two permanent bridges totalling 2,100 running feet in length are also being laid on.

In view of the important nature of the road, the Bogyoke Government has initially sanctioned a sum of K 9,22,500 (Kyats nine lakhs, twenty-two thousand and five hundred only) as a special grant towards this project.

The Myitkyina-Kambaiti Road, 84 miles in length stretching towards the eastern frontier has been a fair-weather road up to-date.

For economic and security reasons it has also been found desirable to make this road an all-weather one.

The Bogyoke Government has also allocated funds to the extent of K 1,84,000 (Kyats one lakh and eighty-four thousand only) towards this project, which has already been taken in hand.

IV. Relief Measures

The areas of the Kachin State being co-terminus with that of the People's Republic of China, the experience so far has been that problems arising in that neighbouring country also affect Burma. Since 1957, the tribesmen finding difficulty in sustaining themselves on the Chinese side have gradually sought refuge in the Kachin State.

While initially the number of these refugees was small, the numbers increased and the problem became so unwieldy that the Government of the Union of Burma were constrained to prohibit further entry and close the frontier.

In the census taken in 1959 it was found that approximately 20,000 refugees had thus entered illegally.

The influx of these refugees caused serious concern, as owing to non-availability of sufficient food, the indigenous people in the area where these refugees settled were also in a state of famine.

To ameliorate the suffering of the people in the affected areas, the Bogyoke Government authorized distribution of rice and salt to all, without any discrimination whatsoever.

A grant of K 3,30,000 (Kyats three lakh and thirty thousand only) was made towards the relief operations.

V. Agriculture

In accordance with the policy of the Bogyoke Government to give priority to agriculture with a view to achieve national progress, agricultural undertakings in the Kachin State were also given top priority.

Waste lands in the Indawgyi area of the Kachin State were reclaimed and at least 2,500 acres of land in that area were made available for groundnut cultivation to the villagers who were also advanced agricultural loans wherever necessary. It is hoped that there will be a considerable increase in the national production of groundnut oil which is commonly used in most homes.

With the active assistance of the Army authorities it has also been possible to give an incentive for cultivation to the people of Putao who had hitherto been almost cut off from the rest of Burma.

A total of 200 acres of land have been brought under cultivation in various camps established in these remote areas and it is hoped that the yield from these newly cultivated areas will approximate to 3,500 baskets of paddy. In addition, fruits--oranges, grapes, etc., and coffee have also

been planted extensively in the Putao-Nogmung area.

Measures for planned cultivation of sugarcane for the Namti Sugar Mill were initiated by the ARDC working in co-operation with the State Agricultural Department. It is expected that the yield will increase and that the cultivators will benefit financially even though the price of sugarcane has been fixed at a lower rate. The Namti Sugar Factory which has been a losing concern is also expected to show a margin of profit for the first time.

VI. Pilot Sugar Plant At Bhamo

The Pilot Sugar Plant at Bhamo with a crushing capacity of 30 tons constructed by the IDC in 1954 was handed over to the Kachin State Government during the tenure of the Bogyoke Government. The plant which is valued at K 4,78,000, produced 1,250 viss of brown sugar per day.

The plant was started by the IDC to develop a small industry in the Kachin State, as well as to provide cheap brown sugar for the use of the hill people, at the same time providing employment to cane-growers in the Bhamo District.



Training classes for headmen in the Kachin State

The plant was never designed to be a profit-making concern and intended solely for the benefit of the indigenous people of the State. Thus, when IDC decided to close down other unprofitable projects in the country, the Bogyoke Government was kind enough to hand over the plant *gratis* to the Kachin State Government.

The State will endeavour to run the plant by installation of certain essential equipment to produce white sugar and to make it a profitable concern in the long run.

VII. Miscellaneous

The Pidaung Game Sanctuary comprising an area of about 280 square miles near Myitkyina, had been maintained, though not very efficiently, for the preservation of fauna. In the recent past there has been flagrant violation of the game laws and wilful destruction of property and rare animals.

The Bogyoke Government arranged for a committee to be formed under the chairmanship of the Brigade Commander of the Area to provide more effective measures for the preservation of the

Pidaung Game Sanctuary. Prompt action has been taken against unauthorized cultivation and dwelling places in the reserved areas. A combined provost patrols these areas to keep poachers away and the Sanctuary is now retrieving its former beauty and serving its desired purpose.

To promote trade and encourage the indigenous business community in their commercial ventures, a branch of the State Commercial Bank was established early this year at Myitkyina. It is hoped that this Bank will contribute much towards the development of business ideals amongst the people of the State and serve usefully the community at large.

In conclusion, it is evident that people in all walks of life throughout the Union of Burma are most appreciative of the general progress in their conditions of life achieved so rapidly through the sterling efforts of the Bogyoke Government. This feeling of appreciation is also shared by the people of the Kachin State where no efforts were spared to implement reforms in keeping with the rest of the Union.



Inauguration of training classes for headmen in Kachin State

Ministry of Chin Affairs



U Ral Hmung, Minister

As in previous years, the Chin Special Division continues to be free from insurgent and other lawless activities.

In the economic sphere, prices of essential commodities, especially those of rice, salt, cooking oil and textiles, have been brought down by means of improved transport facilities and methods of distribution through the Civil Supplies Department.

(A) COMMUNICATIONS

The improvement to and extension of the existing motorcar roads up to the district and subdivisional headquarters of Falam, Tiddim, Haka and Mindat has been carried out to make these roads passable for 3-ton trucks during the dry weather. Construction of motorable roads from Haka, Mindat and Paletwa to converge on Matupi is also being carried out simultaneously. Once these roads are completed, all the subdivisional headquarters in the entire Special Division will have been connected by motorable roads.

This Division has received for the first time through the Japanese Reparations

Fund, 14 jeeps and 6 trucks for departmental use.

(B) BUILDINGS

One notable achievement was the construction of buildings for the State High School at Paletwa in the Southern Chin Hills District. Work commenced in June 1958 and was completed in June 1959 in record time. Similar buildings at Tiddim and Haka took about 3 years each to complete.

Works have also started during May 1959 on the construction of buildings for the Civil Hospital and State High School at Haka for which financial sanctions were issued as long ago as 1952-53. The commencement of work on these buildings was made possible by the pushing through of a motorable road from Falam to Haka, thereby enabling construction materials to be transported to work-sites by motor trucks.

(C) AGRICULTURE

A new Agricultural Circle comprising the whole of the Chin Special Division was

formed in May 1959. Previous to that, the Deputy Director of Agriculture with headquarters at Falam in the Northern Chin Hills District had to look after the Naga Hills and the Upper Chindwin Districts of Burma proper in addition to the Chin Special Division *minus* the Paletwa Sub-division which came under the jurisdiction of the Deputy Director of Arakan Division. The Deputy Director at Falam can now concentrate his entire attention on the Chin Special Division only.

Arrangements are underway and nearing completion for the setting-up of a combined Agricultural Demonstration and Animal Breeding Farm at Haka in the Northern District. This will be the first of its kind in the Chin Special Division and will meet a long-felt need indeed.

(D) CO-OPERATIVES

The Co-operative movement in the Chin Special Division is gaining popularity very rapidly. During the period under report, the number of registered societies has increased from 90 to 111.

(E) EDUCATION

The number of State Schools in the Chin Special Division as on the 1st June 1957 was as follows:—

Primary	...	233
Middle	...	18
High	...	6

Since then, during the school-year 1957-58, one of the Middle Schools was upgraded to a High School, and during the school-year 1958-59, sanction was obtained to open 18 new Primary Schools.

But during the period under report, 5 Middle and 40 Primary Schools were sanctioned to be opened. Apart from the 64 Primary Schools opened during 1954-55,

this is the highest figure for new schools that have so far been sanctioned to be opened in a single educational year.

The Government also approved of the grant of free tuition up to 30 per cent of the total number of students in the High and Middle Departments of the State Schools in the Chin Special Division as a very special case, while only 10 per cent enjoy such privilege in schools in Burma proper.

In addition to this higher percentage of awards of free tuition, 750 Middle Schools, 240 High Schools and 25 Collegiate stipends are awarded to deserving students.

The number of Government Stipendiary Students from the Chin Special Division to undergo Junior Assistant Teachership and Primary Assistant Teachership training in State Training Colleges is increased to 55 in 1959-60 as against 40 and 45 respectively in 1957-58 and 1958-59.

(F) HEALTH

Four more students were sent on Government stipend for training as Health Assistants for eventual posting to rural centres in the Division. There are already 25 Centres.

(G) RELIEF

Due to the flowering of bamboos on a wide-scale in certain parts of the Division resulting in the outgrowth of rats and other wild animals in overwhelming numbers destroying all standing crops in the fields, and the unfavourable climatic conditions that prevailed during the sowing and harvesting seasons, the Chin Special Division as a whole was seriously faced with food scarcity bordering on famine. The Government promptly sanctioned an allotment of K 3,00,000 for the purchase of essential foodstuffs for immediate distribution to the most needy.

Ministry of Karen State



Dr. Saw Hla Tun, Minister

The Karen State is undeniably rich in natural resources, including teak and mines, but it has not been possible yet for the State to avail itself fully of these potentialities, due to insecure conditions following the insurrection.

The already poor economic condition of the people of the State worsened as time went on owing in large measure to insurgent acts of brutalities and atrocities. Demands for huge sums of protection-money, kidnappings, dacoities, robberies, and killings were of frequent occurrences in the State, and the situation deteriorated to the extent that fairly large towns like Pa-an, Kawkareik, Hlaingbwe, Thandaung, Kya-in and Papun had been subjected to frequent attacks by the insurgents.

Lines of communications such as roads and waterways were also in constant danger of insurgent sabotage and destruction.

(A) STATE GOVERNMENT RESHUFFLED

Immediately after the formation of the Caretaker Government headed by General Ne Win, the Karen State Government was

reshuffled after due consultation with the Karen State Council.

Under General Ne Win's Government, the State Government has achieved considerable success in tackling and solving the many problems facing it.

(B) SECURITY

The topography of the Karen State with its many hideouts and getaways appears to be a favourable circumstance for the insurgents and, consequently, total annihilation of them was a herculean task.

It is in fact a matter for gratification that during the period of the General Ne Win's Government, what with the successful implementation of the Union Security Administration Scheme, the relentless operations by the Burma Army, and the close co-operation and co-ordination between the Army, the Police, People's Reporters, National Solidarity Associations and the general public, the back of the insurrection in the State has been broken.

In particular, full credit must be given to the Union Armed Forces for their

successful offensive measures which have resulted in many insurgent surrenders and casualties apart from large seizures of illicit arms.

All towns and big villages in the State have now returned to normal conditions and it may fairly be conceded that the insurrection in the Karen State is fast dying out. Lines of communications have also been cleared of insurgent activity and the general public can now travel in safety.

Effective administration in the State has now been restored and this outstanding achievement under the Caretaker Government redounds to the credit of successful operations launched by the Burma Army.

(C) DROP IN CRIME INCIDENCE

With the steady improvement of the security situation, the responsibility for decline in crime incidence devolves increasingly upon the Police force.

To meet this urgent and vital problem, the State has undertaken far-reaching measures which include the increase of the number of police stations from 7 to 15, outposts from 1 to 4 and the regular police force strength from 348 to 561, in addition to the present special Police Reserve Force of 270 units.

Furthermore, the State Police Service has been organized and 3 probationers of the Senior Branch, 1 probationer of the Junior Branch and 9 Sub-Inspectors of Police have been appointed and are currently undergoing the necessary training at the Police Training School in Mandalay.

Steps have also been taken to improve the standard and calibre of the Police force and necessary arrangements made for Police officers, head constables and constables to attend various training courses on psychological warfare, higher criminal law, court prosecution, fingerprinting and criminal investigation.

Constant police vigilance and surveillance in co-operation with the Burma Army has

contributed to an appreciable drop in the incidence of crime in the State. The statement below indicates the degree of improvement in this direction.

		1-11-56 to 31-1-58	1-11-58 to 31-1-60	Decrease	Increase
Murder	...	52	41	11	...
Dacoity	...	76	56	20	...
Kidnapping	...	10	16	...	6
Rape	...	...	2	...	2

Six kidnapping and two rape cases shown to have increased during the period from November 1, 1958 to January 31, 1960, over the corresponding period from 1956 to 1958 in fact represent old cases which, through intimidation and fear of reprisals, had not been reported to the police before the Caretaker Government took over.

(D) REVITALIZATION OF GOVERNMENT MACHINERY

Under the Caretaker Government, the psychological training courses run by the respective Brigade Headquarters for village headmen were attended by 247 out of 342 headmen in the State. Concurrently with the extension of governmental authority in the State, several Assistant Township Officers have been appointed and new administrative offices opened in Bawgaligy in Thandaung township, Shwegun in Hlaingbwe township and Myawaddy in Kawkareik township.

In addition, 6 State Civil Service Officers (2 of Senior Branch and 4 of Junior Branch) have been appointed and posted for probationary training.

A notable feature during the tenure of General Ne Win's Government was the removal of the State Government headquarters from Rangoon to Pa-an on February 4, 1960. This step was taken for administrative convenience and also to promote closer cooperation between the State Government and the people of the State.

The administrative machinery thus strengthened has shown remarkable progress in all aspects of the State functions. Collection of land revenue, which hitherto was a grave problem for State authorities, has now shown a phenomenal increase by over 300 per cent. In 1957-58, the amount collected in land revenue was only K 1,52,953 whereas the amount realized in 1958-59 totalled K 6, 67,556—an increase of K 5,14,603. Likewise, the revenue realized from excise licences in 1958-59 showed an increase by more than 8 per cent over the previous year.

(E) NATIONAL REGISTRATION

National Registration work got underway in the State beginning from December 1959. The number of persons already enumerated has now reached 244,346. Only a few areas remain for registration purpose.

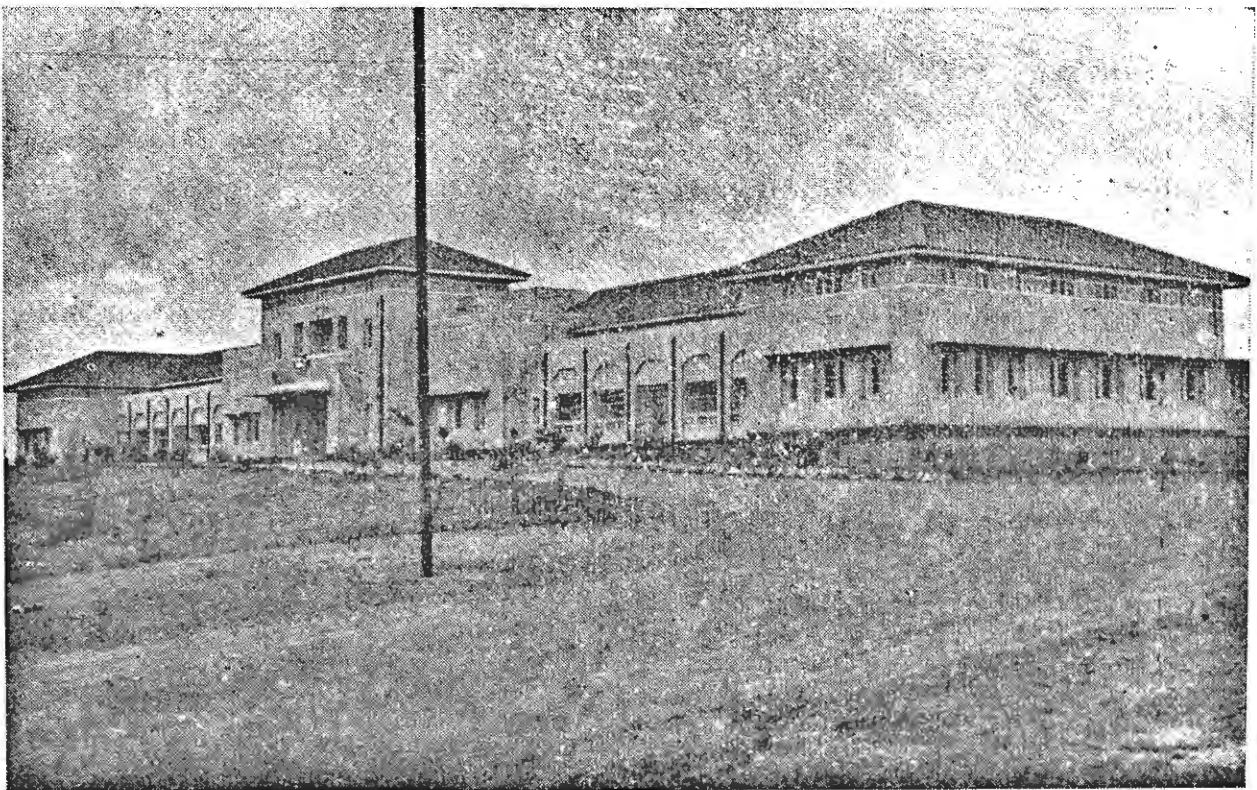
For registration of foreigners residing in the State, an officer of gazetted rank has been deputed to Pa-an and work in this direction is progressing satisfactorily.

(F) ECONOMIC PROGRESS IN AGRICULTURE

Agriculture is the mainstay of the national economy of the State since about 80 per cent of the people depend on farming and agricultural pursuits for their livelihood. Measures have been implemented to improve farming and agricultural productivity, and in 1958-59, the State Government spent about K 11,000 for irrigation purposes.

Furthermore, an agricultural committee known as the Karen State Crop Extension Agricultural Committee has been formed with the main objective of expanding agricultural production. Members of this committee include State officials, Army officers and officials of the Agriculture and Rural Development Corporation (ARDC).

Among the projects successfully completed by this committee were the construction during 1958-59 of two inundation canals and one denundation canal at a cost of K 64,696. As a result, about 14,000 additional areas have become cultivable.



State Hospital, Pa-an, Karen State

Arrangements are also underway for the construction of 8 irrigation canals to reclaim about 59,833 acres left fallow for agricultural purposes.

Rubber plantation over 500 acres has been made possible chiefly through the efforts of the ARDC in providing plants, fertilizers, etc. Similarly, with the help and co-operation of the ARDC, the area under groundnut cultivation has increased from 7,844 acres in 1958-59 to 20,000 acres in 1959-60.

In localities suitable for coffee plantation like Thandaung, Kawkareik and Kya-in, about 14,000 coffee plants have been grown over about 9 acres of land. Beginning from the year 1958-59, successful cultivation of jute has been carried out, the total yield being about 39,000 viss.

The acreage under jute is estimated to reach 3,000 and to this end due provision has been made for assistance in the form of agricultural tractors, pumps, fertilizers and also loans.

The acute problem of cattle shortage in the State has also been successfully tackled by the ARDC with the sale on credit of 600 heads of cattle to agriculturists.

In addition, agricultural machinery and implements obtained through Japanese reparations have been distributed in areas where farmers show special aptitude for modern techniques of farming.

(G) COMMODITY DISTRIBUTION

Commodity distribution in the Karen State has been widely carried out, especially during the term of General Ne Win's Government. With the Civil Supplies Management Board and the Co-operative Department actively co-operating with the State Government, it has been possible to boost the average monthly sales by the Supply Office at Pa-an from K 1, 80,000 before the advent of the Caretaker Government to about K 3,50,000 now.

(H) TRANSPORT AND COMMUNICATIONS

With allocations of K 6,28,000 by the Caretaker Government, improvements to the Kawkareik-Myawaddy Road and the Pa-an-Hlaingbwe Road have been successfully carried out. A 56-mile road linking Kamamaung and Papun is currently being constructed by the Burma Army Engineers.

(I) EDUCATION

No effort has been spared by the State Government to promote measures for education in the State. Owing, however, to insecure conditions created by the insurrection, about 45 Middle and Primary Schools out of a total of 4 High Schools, 21 Middle Schools and 279 Primary Schools had to be closed down.

With the return of normal conditions under General Ne Win's Government, steps are being taken to reopen these schools and to promote still further the cause of education.

The question of providing the necessary training to teachers has been given the attention it deserves, and refresher courses are being held, attended by about 800 teachers. During the current educational year, 57 teachers are undergoing teachership training courses.

During 1959-60, there has been an increase of stipendiary awards from 30 in previous years to 32. Arrangements are in hand to increase these stipendiary awards to 35 in the next year.

(J) HEALTH

In the field of health, much headway has been made with improved conditions under the Caretaker Government.

A K 3,00,000 50-bed hospital, well equipped, at Pa-an and, two other 25-bed hospitals, each at Kawkareik and Thandaung, have been opened. In addition, mobile dispensaries have been opened at Kay-in, Hlaingbwe, Kamamaung and

Myawaddy, besides maternity and infant welfare centres in several towns and villages in the State.

Measures have also been undertaken towards the eradication of malaria and other contagious diseases.

To fill the need for doctors in the State, stipends have been awarded to 7 medical students. These students, after graduation, will be absorbed in the State Medical Service.

(K) RELIEF MEASURES

The refugee problem arising out of the insurrection in the State has been successfully tackled by the State Government with relief measures instituted in Thandaung, Papun, Kawkareik, Kya-in and other areas out of a fund of K 1,14,075 provided by the Caretaker Government in the Ministry of Relief and Resettlement.

(L) SCOUTING

Every encouragement is being given to Scouting as a social movement. During the tenure of General Ne Win's Government, the movement has gained momentum and been placed on a sound footing. The State could now boast 930 scouts and wolf cubs, mostly from State schools in Thandaung, Pa-an, Hlaingbwe and Kawkareik townships.

(M) NATIONAL SOLIDARITY ASSOCIATIONS

National Solidarity Associations, the formation of which has been one of the outstanding achievements of the Caretaker Government, have taken firm root in the Karen State. These associations have been formed in over 64 villages with a total membership of 13,335. Every possible help and encouragement is being provided to the movement by the State Government.

(N) REFUGEE PROBLEM AND TOWN DEVELOPMENT

With refugees pouring into Pa-an, the headquarters of the State Government,

from outlying villages and constructing hutments in every available space, there had been much congestion, overcrowding and accumulation of filth in the town. A big fire in 1958 wiped out about one-half of the town and removal of hutments presented a serious problem. Consequently, a suitable site in Aung Nan Mingala quarter of the town was selected to which about 1,000 squatters have been removed.

Improvements to the main thoroughfares in Pa-an have also been carried out at a cost of K 2,00,000, while construction of a new K 2,60,000-bazaar has been completed. Steps have also been taken towards the solving of water shortage problem in the town by construction of pipelines from the Salween River right to the town proper at a cost of K 15,000. To provide recreational facilities, a public park has been laid out on the Strand at an expenditure of K 13,000. A new Secretariat building for the State Government estimated to cost about K 10,00,000 is also under construction in the State capital.

(O) CONCLUSION

Lack of peace and security in the State in the past as a result of the general insurrection had greatly hampered the administrative functions of the State Government in developing to the full the immense potentialities of the State as a whole.

With the advent of General Ne Win's Caretaker Government, law and order has been restored and conditions are fast returning to normalcy. Governmental authority has now been extended to cover all phases of State activities and with increased security throughout the State, the State Government can now fully concentrate on several development measures directed at the social and economic uplift of the people in the State.



Sao Wunna, Minister

Ministry of Kayah State

Since the advent of General Ne Win's Government on November 1, 1958, the Kayah State Security Council has been formed with *Zeya Kyaw Htin* Lt.-Col. Gwan Shein, Commanding Officer of the 16th Burma Infantry Regiment stationed at Loikaw, as its Chairman, and senior and junior Government and State officials as members.

In consultation with various District Security Councils of the State, the Kayah State Security Council brought about reforms in the administration of the State by doing all that was necessary for the maintenance of law and order, bringing down commodity prices, cleanliness of rural and urban localities, prevention of fire outbreaks, improvement of public health, agriculture, immigration and national registration, and the convention of a free and fair election.

(A) SECURITY

Solidarity Associations have been formed for each and every town in the State, and

there are altogether 5,290 members in the whole of the State.

Beginning from July 1, 1958, combined forces of the Burma Army and State Civil Police have launched successive operations against armed insurgents in the State. Timely information regarding the activities of insurgents collected and relayed to the Army by Solidarity Association members and Township officials concerned helped the Army in dealing decisive blows at the rebels who disintegrated and fled helter-skelter after receiving severe pounding from Government Forces.

Many insurgents have also surrendered to the Army and entered the light. The notorious KNDO insurgent leader, Bo Special, who had long been active in the Mawchi area, fell in an engagement with the 16th Burma Regiment, and thereafter, some of his followers made good their escape, while others surrendered to the Army with arms and ammunition.

Previously, insurgents had infested the Loikaw-Taunggyi and Loikaw-Mawchi motor roads making them quite unsafe and

difficult for travel. Now that the Army has completely suppressed the armed insurrection with the assistance of State officials and the general public, it is now quite safe to travel along these roads day and night.

Under directives issued by the Central Security Council, training classes for headmen were opened in the State where a special course of training was provided. The course covered the following:

Policy and Works Programme of the Bogyoke Government;
the political situation of Burma;
world political situation;
psychological warfare;
civic duties;
rural sanitation and potable water supply;
anti-malaria campaign, etc.

Officers of the Kayah Sate Government also were deputed to attend classes in psychological warfare conducted under the auspices of the 4th Infantry Regiment Headquarters.

With a view to reducing the incidence of crime in the State, all types of illegal arms and ammunition were confiscated, and persons found guilty of holding unlicensed arms and ammunition arrested and duly prosecuted in accordance with the law.

Special training classes have also been opened for Police Officers with a view to raising the standard of efficiency of the State Police Force.

(B) LAW AND ORDER

Due to the combined efforts of the Kayah State Police and Solidarity Associations in the suppression of crimes, the volume of crime in the State has decreased considerably, as can be seen from the comparative

crime figures shown in the following statement :

Nature of Crime	Number of Case		
	1958	1959	1960
Assault causing physical injury	17	6	...
Murder	6	1	...
Theft of inanimate property	4	...	...
Theft of live stock ...	19	...	...
Looting	2	1	...
Breach of Trust	2	...	...
Cheating	2	...	1
Trespassing	12	6	...
Arm cases	2	3	...
Negligence causing outbreak of fire.	...	6	...

(C) DEVELOPMENT

As road transport and water supply pose a serious problem in rural districts of the State, the State Solidarity Associations have constructed and repaired roads and bridges, and dug ponds and wells in those areas.

A cleaning campaign has also been successfully launched in Loikaw, participated in by over 3,000 civil servants, Army personnel and members of the public.

As a measure to develop Loikaw, the headquarters of the Kayah State, a Town Committee has been formed after the surrender of powers by the *Saophyas* of the State. The Committee is now hard at work on town development projects. It has built a new bazaar for Loikaw and is also engaged in repairing roads wherever necessary.

(D) HEALTH

Midwives of the State Health Department were deputed to various villages lying

in remote and inaccessible regions of the State. Health Assistants have carried out mass vaccination in one village after another and anti-plague inoculations have been given to more than 30,000 persons throughout Loikaw Town. DDT spraying has also been undertaken.

(E) ECONOMY

In order to bring down commodity prices within the State and to ensure an even distribution of consumer goods to the general public, essential commodities such as textiles, foodstuffs, and other raw materials procured from the Civil Supplies Department of the Union Government are sold to consumers at reasonable prices through Government retail shops. Meat, fish and prawns are also sold to the consuming public at reasonable prices. These measures have been much appreciated by the public and have had the singular effect of significantly lowering commodity prices by about ten per cent.

Priority has been given to agriculture in the drive for the economic development of the State. In this respect, about fifteen thousand baskets of groundnut were issued to cultivators to enable them to implement the Groundnut Cultivation Scheme of the State. Also, under the Coffee Cultivation Project, one and a half lakhs of coffee seedlings were widely distributed within the State as were also seedlings of sweet citron. After a thorough inspection of lands suitable for the cultivation of Virginia tobacco, the State Agricultural Department is now making arrangements to introduce the cultivation of that variety of tobacco in those areas.

The Kambawza and Russian types of cotton were also grown in the State. Besides, Mahlaing No. 5 and long stapled types of Burmese cotton grown on an experimental basis are also found to be thriving. Vegetable seeds for "Model Housewives' Gardens" received from the

Ford Foundation were also distributed widely within the State. In order to encourage wheat cultivation in the State, seeds were freely distributed to farmers, and it is significant that this crop also is thriving.

The availability of water in sufficient quantity is most essential for a successful agricultural drive within the State. It is planned to build three dams, LWENUNH-PA, KHOO-NGA-SUN and HTEE-CHAY-LYA Dams for which sufficient funds are being provided for. It is estimated that, after the completion of these dams, about 6,000 acres of land can be brought under paddy cultivation.

Side by side with agriculture, animal husbandry too is in the process of development. The department concerned has conducted extensive tours to sub-States where lectures on the subject of animal husbandry were delivered, with emphasis on the need for breeding greater number of domestic animals and birds like poultry, pigs, cattle, horses, etc. In the course of these tours, animal diseases were effectively suppressed. At the present moment, the number of livestock in the State ranges between 8,000 and 10,000. Horse breeding is found to be specially popular in the State.

(F) EDUCATION

During the previous year, one High School, 2 Middle Schools, and 35 Primary Schools were opened in the State and one High School, 3 Middle Schools, and 47 Primary Schools opened during this year. The opening of an examination centre in Loikaw during this year has in fact been a boon to students of the State since they need no longer have to proceed to Taunggyi 90 miles away, to sit for their respective examinations. In addition, due provision has been made by the State Government for the awarding of Primary and Middle School scholarships to deserving students.

Appendices

Appendix

1. THE NATIONAL IDEOLOGY AND ROLE OF DEFENCE SERVICES
2. U NU'S BROADCAST ON SEPTEMBER 26, 1958
3. EXCHANGE OF LETTERS (U NU AND GENERAL NE WIN)
4. ADDRESS BY GENERAL NE WIN IN PARLIAMENT ON OCTOBER 31, 1958
5. ADDRESS BY GENERAL NE WIN TO PARLIAMENT ON FEBRUARY 13, 1959
6. ADDRESS BY GENERAL NE WIN TO THE UNIVERSITY STUDENTS (1)
7. ADDRESS BY GENERAL NE WIN TO THE SAWBWAS
8. ADDRESS BY GENERAL NE WIN TO THE UNIVERSITY STUDENTS (2)
9. LIST OF DEFENCE SERVICES OFFICIALS ATTACHED TO CIVILIAN GOVERNMENTAL DEPARTMENTS

THE NATIONAL IDEOLOGY AND THE ROLE OF THE DEFENCE SERVICES

THE CONSTITUTION OF THE UNION OF BURMA

Preamble

WE, THE PEOPLE OF BURMA including the Frontier Areas and the Karenni States Determined to establish in strength and unity a SOVEREIGN INDEPENDENT STATE, To maintain social order on the basis of the eternal principles of JUSTICE, LIBERTY and EQUALITY and To guarantee and secure to all citizens JUSTICE, social, economic and political; LIBERTY of thought, expression, belief, faith, worship, vocation, association and action; EQUALITY of status, of opportunity and before the law, IN OUR CONSTITUENT ASSEMBLY this Tenth day of *Thadingyut* waxing, 1309 B.E. (Twenty-fourth day of September, 1947 A.D.), DO HEREBY ADOPT, ENACT AND GIVE TO OURSELVES THIS CONSTITUTION.

PHASES OF IDEOLOGICAL DEVELOPMENT IN THE DEFENCE SERVICES

B.I.A. and B.D.A. Period	...	Freedom—First. Freedom—Second. Freedom—Third.
B.N.A. and P.B.F. Period	...	Freedom—First. Democracy—Second. Socialism—Third.
1948—1955	... ..	... Period of Ideological Gestation.
1956-57	... ..	... Period of thorough study and discussion of the Ideology for the Defence Services.
1958 Defence Services Conference	...	... (First Phase of Ideological Development). National Ideology restated and adopted.
1959	... ..	... (Second Phase of Ideological Development). The Role of the Defence Services formulated.

THE NATIONAL IDEOLOGY AND OUR PLEDGE

(First Phase of Ideological Development)

“Man’s endeavour to build a society set free at last from anxieties over food, clothing and shelter, and able to enjoy life’s spiritual satisfactions as well, fully convinced of the sanctity, dignity, and essential goodness of life, must proceed from the premise of a faith only in a politico-economic system based on the eternal principles of justice, liberty and equality. This is our belief. We would rather give up life than give up this belief. In order to achieve the establishment of such a society, we have resolved to uphold this belief forever in this our sovereign independent republic of the Union of Burma.”

Defence Services Conference,

Meiktila, 21st October, 1958.

* NOTE.—This is the essence, in simple language, of the three Fundamental Documents: (1) our Declaration of Independence; (2) The first Address to Parliament of the first President of the Union; (3) The Constitution of the Union of Burma; all three of which encompass our National Ideology in its entirety.

THE NATIONAL IDEOLOGY AND THE ROLE OF THE DEFENCE SERVICES

(Second Phase of Ideological Development)

PREFACE

(Translated from Burmese)

1. Ever since their Conference of 1956 the Commanding Officers in the Defence Services have all thoroughly studied and discussed the National Ideology which must be the ever-fixed guiding star of the Defence Services. At the Defence Services Conference, held in Meiktila on October 21, 1958, they did as the first phase in ideological development, unanimously adopt the Statement of Defence of National Ideology and pledge their unfaltering support.

2. With the adoption of this Statement of Defence of National Ideology, the Defence Services acquired a sense of purpose and direction. A psychological regeneration took hold of the Defence Services personnel and stirred among the people as a whole. The people, with spirits uplifted, march beside the Defence Services. This is a military and psychological achievement.

3. Time was when the nation was so shrouded in ideological confusion that citizens hesitated to exercise their lawful rights. To call a rebel a rebel, to arrest a dacoit, to report a murder case to the police or even to protest attempted rape brought threats of reprisal. In certain oppressed areas, the people were so resigned to their fate that no protest remained except the tears in their eyes. Now the people have been seized with hope and have taken heart. They dare to report murder and dacoity cases, if not the first time at least the second, knowing that the authorities will punish the offenders. Criminals who had formerly succeeded in holding a whole village at bay and exacting tribute of cash, food, transport and even women—these same criminals will now perish at the hands of the united village defence forces armed only with sharpened staves and a spirit of intense pride. This change is the result of the decisive leadership of the Government and the firmly established ideological convictions of the Defence Services.

4. The Union of Burma has passed her eleventh year as a Sovereign Independent Republic and is now entering her twelfth year. In the early days of Independence hopes were bright in the hearts of all citizens of the Union that, free at last, they would enjoy the fruits of this freedom to the utmost. They thought to themselves: "Now free from anxieties over food, clothing and shelter, we shall be able to go in peace to work or to our pagodas and monasteries. Far, far better is our lot now than when we were subjects under imperialist rule." So they hoped and their happiness knew no bounds. But these hopes were soon drowned in a sea of trouble and a sense of insecurity overwhelmed them.

5. Having won independence, why were they denied the fruits of freedom? On September 24, 1947, the entire Union, including the Karenni State and the Frontier Areas, unanimously adopted and enacted the Constitution of the Union of Burma. Burma was declared a Sovereign Independent Republic on January 4, 1948. Three months later the Burma Communist Party, which earlier had adopted the Constitution along with other political parties, chose to make its bid for power through armed violence. Their fellow-travellers—the Red Flag Communist Party of Burma, the People's Comrade Party, and the racial autonomists like the KNDO's, MNDO's and Mujahids—seized the war's legacy of arms throughout the country to start an armed insurrection. A country-wide struggle began between the forces of evil, who would set up a one-party

dictatorship by force of arms, and the forces of democracy, who would establish a parliamentary government. At the beginning, the forces of evil outnumbered the defenders of the Constitution by more than ten to one. But "Right" proved to be "Might" and one by one the strongholds of the insurrectionists fell to the Defence Services, whose strength was the strength of the people.

6. The Defence Services are not an upstart organization newly formed after Independence. Neither is their leadership. These Defence Services fought in the vanguard of the pre-Independence struggle, and following Independence they gave an estimable account of themselves against the forces of evil. Under loyal and heroic leadership they have always been staunch defenders of freedom and democracy for the Union. As long as this strength remains, the Constitution shall remain inviolate. The conviction has hardened in the minds of the people that the armed insurrectionists and racial autonomy rebels shall never be allowed to impair the Constitution. Throughout the struggle for independence the slogan has been—

"Freedom—first,
Democracy—second,
Socialism—third."

Twelve years of our Independence have been dissipated in fighting the evil forces of one-party dictatorship and racial autonomy. Even in the preoccupation of this grim struggle, the Defence Services have recognized the need to discuss and, subsequently, to adopt the National Ideology, which must be their guiding light in the first phase of ideological development. Now, the time has come to determine precisely and clearly the Role and the Attitude of the Defence Services in the second phase of ideological development. For the Defence Services simply to accept the National Ideology without giving thought to their Role or defining their Attitude is to develop a strategy without devising the tactics. There is no obscure political meaning in the words "Role and Attitude." What will the Defence Services do in the event of national crisis—what help will they render, what action will they take—what attitude will they adopt? The answer will be determined by the Role and Attitude.

7. In view of the problems facing the nation, our national objective should be :

To restore peace and the rule of law—first,
To implant democracy—second,
To establish a socialist economy—third.

This too is the objective of the Defence Services—or their Role and Attitude.

8. The three sections of the above programme are interdependent. To establish a socialist economy, democracy is pre-requisite. For democracy to flourish, law and order is essential. Without peace and the rule of law, no country can be a democratic one. In an undemocratic country, a socialist economy can never be established—a totalitarian government will impose only a rigid economic system which will deny the right of private property.

9. The most pressing fundamental need of the Union is law and order. A country may possess natural resources and the means of production; and in accordance with the strength or weakness of these, it may prosper or not. Its people, in any case, will desire to live and work in peace and freedom under a lawful government, for no one chooses to live under a reign of violence and lawlessness. As Burma is still an under-developed country, her standard of living, health, education, economy, social services, etc., are all in need of vast improvement. Plans for improvement are a recognized part of the national programme, but our initial efforts must concentrate on the restoration of law and order throughout the country.

10. In a country where people dare not shout "stop thief," where the wife of a murdered man dare not lament loudly, where a woman being raped dare not scream for help, in such a country to talk of "democracy" would be foolhardy. To talk of a "welfare state" would be empty vaunting. Like in the realm of Pagan, once upon

a time, a giant tiger, a giant roe and a giant wild boar had terrorised the population; criminals, dacoits, rapists and armed insurgents had terrorised the people of the country. Taking advantage of the raging insurrection, miscreants had a field day fishing in troubled waters both in towns and villages. Under the circumstances, if one asks a country lad what is it he desires most, his answer can readily be guessed. He would be content if there was peace in the countryside and not having to pay a multiplicity of extortions; if he was able to live without fear of oppression, being injured and insulted, robbed, murdered in bed.

11. As the Role of the Defence Services, for the moment, is to rally to the help of the country in her most dire need, their first thought should be "What shall we do about it?" To be short and to the point, the Role and the Attitude of the Defence Services today should give first priority to the objective of Peace and the Rule of Law.

12. Therefore, to conclude and by way of emphasis, the Defence Services have now unanimously adopted, as the second phase of ideological development, the resolution that the National Objective and Programme of the Defence Services are,

- (1) To restore Peace and the Rule of Law,
- (2) To implant Democracy,
- (3) To establish a Socialist Economy.

PART I

To Restore Peace and the Rule of Law

13. The words "Peace" and "Rule of Law", which are readily understood by 100 per cent of the population, are as difficult to implement as they are easy to understand. The national economy, totally disrupted by the Second World War, is still unsettled in many respects. To ask for immediate economic recovery in the face of our political problems is to ask for the impossible. Just as it depends on a healthy mental attitude, so also the body politic must be organically sound. Therefore, the responsible officers of the Defence Services should not take the words "Peace and Rule of Law" lightly. They should rather admit to themselves that a heavy responsibility has fallen upon their shoulders—a responsibility which they must labour diligently and earnestly to discharge over the course of years.

In surveying the present situation in Burma, it can be noted that the remnants of the Red Flag Communist Party are so small as to be hardly worth speaking about. Only a few leaders and isolated bands of White Flag Communists remain. With the exception of a nominal few, all of the PCP's have surrendered. Of the KNDO's there are scattered remnants in the Papun area of the East Yomas and some few in the delta. What remains of the MNDO is scarcely worth mentioning. This improvement in the security situation is highly satisfactory. It will undoubtedly continue to improve. But are we justified in assuming that Peace and the Rule of Law are here to stay?

14. To answer this question one must go to the root of the matter. Lopping off the branches of a tree will not kill it. New shoots will appear with the next rains. The whole tree must be uprooted. In the same way insurgency must be uprooted or it will reappear with the next opportunity. This is what the insurgents are waiting for—the next opportunity. Barring the possibility of a Third World War, they still hope for limited wars in near-by areas. They pray for tension and discord between the Union and her neighbours.

For a country to enjoy internal peace, her political parties must adopt constructive programmes to benefit the people and must struggle for power only through democratic means. Armed violence—whether for racial, religious or personal reasons—has no place in democratic government. We must not be deluded by temporary peace-fronts

which give only transient peace. Since 1942 Burma has been ravaged by war or so plagued by insurrection that nobody, not even the few who were misguided before, could not but abhor the idea of insurrection. Henceforth, armed insurrection of any kind will be the anathema of the people.

15. Henceforth, the Defence Services must keep in step with the will of the people if they are to deserve the name of the people's armed forces. Criminals, oppressors, exploiters and racketeers shall all be punished. We shall crush any attempt to wrest power by force of arms (like that of the Communists) and we shall suppress violence and lawlessness. This is the will of the people. This the Defence Services have firmly resolved to accomplish.

PART II

To Implant Democracy

16. According to the Constitution of the Union of Burma this democratic Republic is opposed to any form of one-party dictatorship.

17. The Preamble of the Constitution declares that we shall maintain a social order based on "the eternal principles of **Justice, Liberty and Equality**" and that all citizens shall be guaranteed "**Justice**, social, economic and political; **Liberty** of thought, expression, belief, faith, worship, vocation, association and action; **Equality** of status, of opportunity and before the law"

18. The Constitution states under Section 3—"The sovereignty of the Union resides in the people" and in Section 4—"All powers, legislative, executive and judicial, are derived from the people and are exercisable on their behalf by, or on the authority of, the organs of the Union or of its Constituent units established by this Constitution."

19. Section 17 of the Constitution provides that "There shall be liberty for the exercise of the following rights subject to law, public order and morality:

- (a) The right of the citizens to express freely their convictions and opinions.
- (b) The right of the citizens to assemble peaceably without arms.
- (c) The right of the citizens to form associations and unions. Any association or organization whose object or activity is intended or likely to undermine the Constitution is forbidden."

Thus not only has democracy been fully guaranteed, but also safeguards have been provided to prevent the abuse of democratic rights by those who would lead the country to anarchy and a one-party dictatorship.

20. At the behest of the Constitution; at the behest of the patriotism of the people who never fail to rise in revolt against despotism and misrule; at the behest of the will of the people who support only such governments are solicitous of the welfare of the citizens, lay or clerical; and in recognition of the deserts of the citizens who had played their parts in the struggles for freedom and democracy; this Union of Burma has declared itself a democratic country.

21. This is made clear by the fact that sovereignty of the Union resides in the people; and that all powers, legislative, executive and judicial, check and counter-check one another in full accord with the spirit of democracy.

22. The Union of Burma has travelled far indeed from past eras of monarchy and despotism. It has no use for the modernized monarchy of Fascism. Neither does it have any use for a system by which wily exploiters of human hope, as ruthless as absolute despots, attempt to delude the people with a false heaven on earth in order to establish their one-party dictatorship.

23. The Union of Burma believes in that democratic way of life which—

- (a) is germane to human happiness and human nature,
- (b) allows the people full freedom to unseat or to elect a government of their own choice,
- (c) guarantees freedom from fear and respects human dignity.

24. The Union of Burma desires to build a society set free at last from anxieties over food, clothing and shelter, and able to enjoy life's spiritual satisfactions, fully convinced of the sanctity, dignity and essential goodness of life.

25. Such is the Democracy in which the citizens of the Union believe. But at present a democratic way of life has not yet taken firm root in the Union. Democratic traditions are only in the making. The Democratic growth of the Union was stunted by the insurrection. Those enemies of Democracy, the above-ground Communists, are ever watching for an opportunity to destroy Democracy from within. These above-ground and underground Communists have a way of pretending to care for Democracy but only in order to destroy our democratic institutions and impose their own totalitarian regime.

26. Therefore, Democracy in the Union is not safe so long as the above-ground and underground Communists are still among us. In weeding them out and keeping them out we must continue to be active and vigilant.

The Communist formula is a flexible one. Adapting their tactics to the circumstances, they will choose any ally who will serve their ends. They will sow discord among rival organizations and capitalize on these differences. They will compromise when it is to their advantage. They will practise deceit with masterly skill.

Working within and without the legal fold, they will conspire in every way to turn the Union into a one-party dictatorship. The Union of Burma, therefore, must be ever alert and watchful lest it fall victim to complacency. Under these circumstances democratic rights should be denied to those who, by abusing these rights, are seeking to destroy Democracy itself.

27. From the viewpoint of the National Ideology, in which the Defence Services place their entire faith, democracy will flourish only if people respect the law and submit to the rule of law. To pay lipservice to the principles of democracy is not enough—our actions must be the embodiment of these principles.

28. As the Rule of Law prevails, so shall Democracy prevail. Once the democratic way of life is established, then can a socialist economy for the Union be established.

29. That being so, holding steadfast to the maintenance of Peace and the Rule of Law, the Defence Services have unanimously resolved to strive with ardour and determination to make Democracy flourish in the Union.

PART III

To Establish A Socialist Economy

30. If the question arises as to "Why a socialist economy?" reference can be made to the Constitution, as has been done in the case of Democracy. The economy as envisaged in the Constitution has all the aspects of a socialist economy.

31. On January 4, 1948, the day Burma achieved its independence, the President of the Union addressed the Parliament, outlining the national economic policy as set forth in the Constitution :—

"The primary policy which will be unremittingly pursued is to establish the Union of Burma as a Socialist State which implies prohibition and abolishment of capitalism and the right to ownership of the means of production by the people themselves. This policy, however, does not involve in any way the

unlawful expropriation of property from the hands of their owners but is aimed at the happiness and prosperity of every individual without distinction. A country can be said to be truly great only if there are no class discriminations and all share alike in harmony in her general prosperity."

32. The first address of the first President of a new sovereign Republic is a fundamental document of the greatest import. So also is the Constitution and the Declaration of Independence. The Defence Services must cherish and preserve these fundamental documents of the Union of Burma. This is likewise the first duty of every citizen of the Union. Having then established Democracy as a political reality in the Union, with the same zeal and determination shall we strive to develop a socialist economy.

33. A socialist economy aims to build up a society in which there will be no exploitation of man by man. It hopes to realize, with the direct participation of all free and fair-minded people, a society in which the goal is the happiness and prosperity of every individual without discrimination. It aims at sufficiency for all solution of the unemployment problem, economic development, productivity, and equitable distribution of the produce of the country.

34. A socialist economy does not cater to the narrow and selfish interests of a minority group or party or class but directs its productive forces to fulfilling the needs and assuring the contentment of all citizens.

35. A socialist economy is a "planned economy." Each stage in the nation's economic development is projected with a view to rendering the greatest good for the greatest number.

36. In the process of developing and consolidating the means of production, it may become necessary to nationalize certain industries and enterprises. Co-operative societies and joint-venture operations will also have their place in a socialist economy.

37. This does not prohibit private enterprise. On the contrary, it is declared in Sub-section (1) of Section 23 of the Constitution:

"Subject to the provisions of this section, the State guarantees the right of private property and of private initiative in the economic sphere."

38. In fact, any enterprise will be encouraged which does not contravene Sub-section (2) of Section 23 of the Constitution:

"No person shall be permitted to use the right of property to the detriment of the general public."

39. The Union's economy is based on agriculture, but the methods of production are outmoded, and consequently our productive capacity is limited. Small industry is not sufficiently developed to provide adequate consumer goods for all citizens. Therefore, the main feature of the national economic policy should be to modernize the basic agricultural economy and secondly, to develop local industries commensurate with the natural and human resources of the country. This will require deliberate and thoughtful planning. In the process of development, this State-controlled economy may appear to differ little from state capitalism. But it should be noted, at the same time, that the State will continue to encourage those private enterprises which contribute to increase national productivity.

40. In sum, the socialist economy of the Union of Burma is to be a productive economy whose goals will be achieved in accordance with respect for individual economic rights and the guiding principles of the Constitution. It will not evolve into a totalitarian form of exploitation.

41. The goal of a socialist economy is to free men from anxieties over food, clothing and shelter. The responsibility of a socialist economy is to do so without depriving them of their constitutional rights.

42. At present such a socialist economy is not yet within reach. The task facing us now is to establish Peace and the Rule of Law so that Democracy may flourish.

43. Without Peace, without the Rule of Law, without a democratic government, without development of the nation's productive forces, a socialist economy is an impossibility.

44. But the nation must look forward to the establishment of a socialist economy, for only then will the Union enjoy prosperity for all its citizens. Therefore, having once achieved Peace, and the Rule of Law, and Democracy, and successfully maintaining these, the Defence Services have unanimously resolved to march unswervingly with the nation towards the goal of a socialist economy.

CONCLUSION

45. Thus do the Defence Services hold the National Objective of the Union to be, and adopt and give to themselves their Role and Attitude as set out above.

In thus pursuing the aims of national politics, as distinct from party politics, the Defence Services pledge themselves to this adopted Role and Attitude.

Peace and Rule of Law	— First.
Democracy	— Second.
Socialist Economy	— Third.



TEXT OF BROADCAST BY U NU

On September 26, 1958, U Nu, the then Prime Minister, informed the people of the country, through a nation-wide broadcast announcement, that he had decided to hand over power to General Ne Win, who would head a new Government. Following is the text (translated) of the broadcast:

“PEOPLE OF THE UNION OF BURMA,

I have something important to say to you. We had intended holding a General Election in November of this year. But in view of the present conditions and developments throughout the country, we have come to realize more and more, day by day, that the General Election to be held in November could not possibly be a free and fair election.

It is an indisputable fact that so long as the people of a country cannot freely elect the government they like, without let or hindrance, without intimidation or undue influence, there can be no democracy at all, whatsoever, in that country. Hence, for every true and faithful lover of democracy, a free and fair election is as precious as life itself. I have invited General Ne Win to conduct all the arrangements necessary to ensure the holding of a free and fair election within the period of six months. I am glad to say that General Ne Win has accepted my invitation.

The two letters exchanged today between General Ne Win and myself outline fully all the considerations that led towards the extending of this invitation to General Ne Win. To enable the holding of a free and fair election before the end of April 1959 and in the cause of maintaining a firm and durable democracy, I direct this earnest appeal to all the people of the country to give your full support to General Ne Win in the same way that you have given me your support.”



TEXT OF EXCHANGE OF LETTERS BETWEEN U NU AND GENERAL NE WIN

Following is the text (translated) of letters exchanged on September 26, 1958, between U Nu, the then Prime Minister, and General Ne Win, and which led to the subsequent announcement that General Ne Win had been invited to form a government that would ensure the holding of a general election that would be free and fair:

[Text of U Nu's Letter]

PRIME MINISTER OF THE UNION OF BURMA

Dated the 26th September, 1958.

DEAR GENERAL NE WIN,

1. The Central Committee of the Clean AFPFL specifically desires that you form a new government, with you yourself as Prime Minister, in order to provide all the necessary conditions and requirements that would ensure the holding of a free and fair General Election before the end of April 1959.

2. Should you agree to accept the Prime Ministership in accordance with this desire, the following arrangements will be implemented:

(a) I shall advise the President of the Union, in accordance with Section 57 of the Constitution,* to summon the Chamber of Deputies and the Chamber of Nationalities on Tuesday, the 28th October 1958.

(b) I shall resign from the Prime Ministership on the day of the first session of the Chamber of Deputies.

(c) Following this resignation, I shall propose that you, General Ne Win, be elected by the Chamber of Deputies as Prime Minister.†

3. It will not be necessary or conditional for you to include members of the Clean AFPFL in the new government.

4. To ensure that the General Election, to be held under your leadership of the country, is a free and fair election, I would request that particular care be exercised to prevent government servants and members of the armed forces from any encroachment or interference in the political field, apart from the normal discharge of their legitimate duties and functions.

5. I am firmly convinced that the armed forces are generally most well-disciplined. But, during my recent tour of the country extremely distressing complaints were made to me in many different places of acts of oppression, ruthless cruelty and brutal murders committed by some members of the armed forces. These complaints were made to me personally by the victims themselves, who showed me their wounds and recounted their sufferings with tears in their eyes. I would earnestly request that the new government, to be formed by General Ne Win, give all prior and particular attention to the suppression of all such wrongs and acts of violence.

6. I would also request the new government formed by General Ne Win to give due prior and particular attention to the suppression of all such crimes as rape, robbery, dacoity, murder and kidnappings.

* Section 57 of the Constitution reads: "The Chamber of Deputies shall be summoned, prorogued or dissolved by the President on the advice of the Prime Minister: Provided that, when the Prime Minister has ceased to retain the support of a majority in the Chamber, the President may refuse to prorogue or dissolve the Chamber on his advice and shall in that event forthwith call upon the Chamber to nominate a new Prime Minister."

† Section 56 reads: "The President shall, on the nomination of the Chamber of Deputies, appoint a Prime Minister who shall be the head of the Union Government." While Section 116 reads: "A member of the Government who for any period of six consecutive months is not a member of the Parliament shall at the expiration of that period cease to be a member of the Government."

7. You are fully aware of the fact that all the citizens of the Union yearn for peace, with as much ardent longing as human beings in the beginning of the world prayed for the sun and moon, so I shall not enlarge unduly on this point. I only wish to make this particular request that the government formed by you strives to secure to the fullest extent possible this prize of internal peace.

8. I would also like to make this particular request that the government formed by you continues to maintain the policy of strict and straight-forward neutrality in foreign relations.

May you be endowed with physical and spiritual well-being.

U Nu,
Prime Minister.

[Text of General Ne Win's Reply]

MINISTRY OF DEFENCE
OFFICE OF THE CHIEF OF STAFF (ARMY)
Dated the 26th September, 1958.

DEAR MR. PRIME MINISTER,

1. I feel extremely hesitant to undertake such a great responsibility as requested. However, since I have a high regard for your sincere feelings and wishes and since you point out it is absolutely vital for me to do so, I shall accede to your request and undertake, to the utmost of my ability, the task of guiding the country. However, as I have had no experience in administering the country, since I never had any intention to do so or did it ever occur to me that I would have to do so, I trust that any shortcomings on my part, in my zealous discharge of this great task, will be viewed with all due indulgence.

2. I give my solemn promise that, should the Chamber of Deputies elect me as Prime Minister, I shall endeavour, to the utmost of my capabilities, to undertake to provide all the necessary conditions that would ensure the holding of a free and fair General Election before the end of April 1959.

3. I promise also that, if I am to form the new Government, I will not include in it any representatives of the political organizations of Burma proper, apart from suitable representatives from the various states and the Special Chin Division.

4. You are already quite well aware of my strong feelings against any government servant or member of the armed forces encroaching or interfering in political matters. Hence, I assure you that careful vigilance shall be maintained against such activities.

5. It has been a source of great concern to me on learning, at various times, of lawless acts of violence committed by some members of the armed forces. I can assure you that all due prior and particular attention will be paid to the suppression of such misdeeds.

6. I can also assure you that top priority and all due particular attention will be given to the suppression of all crimes, as far as possible.

7. I am firmly convinced that the stability, progress and prosperity of the Union is greatly dependent on the existence of internal peace. Hence, I assure you that I shall strive my utmost to secure internal peace.

8. As the policy of strict and straight-forward neutrality in foreign relations is a policy which serves the interests of the Union of Burma, as well as that of world peace, I can assure you that the Government, which I am to lead, will never deviate from such a policy of neutrality.

BOGYOKE NE WIN.

TEXT OF ADDRESS BY PRIME MINISTER GENERAL NE WIN TO PARLIAMENT ON OCTOBER 31, 1958

Following his unanimous election by Parliament to head a government, Prime Minister General Ne Win delivered an address to the Chamber of Deputies on October 31, 1958, outlining the policy to be pursued by the new Government. Following is the text (translated) of the address:—

MR. SPEAKER AND MEMBERS OF PARLIAMENT,

In my capacity as Prime Minister, duly elected by this Parliament, it behoves me, with your kind permission, Mr. Speaker, to outline the policy of the new Government.

Before I embark on that, I would first like, with the due permission of the Speaker, to say a few words to the Members of Parliament on the developments that led to my acceptance of the Prime Ministership.

Mr. Speaker, Sir, this situation where no feasible alternative offered itself except for me to accept the Prime Ministership is the outcome, as most of you Members of Parliament are well aware, of the various developments that took shape about six months ago. Former Premier U Nu has frequently referred to the situation in 1948-49 when the country was a mere inch away from falling into a deep chasm. The situation, currently, was also so beset with dangers to the Union that it was almost identical to the 1948-49 position.

Any analytical study will quite fully indicate that these developments within the period of the last six months may be traced directly to the AFPFL split. The effects of that political split spread throughout the country like a rampaging forest fire. People who used to work together before now viewed each other with deep suspicion. Former close comrades and colleagues became deadly enemies. Political splits in some areas became so serious as to lead to occasions for violence and killings.

In the political sphere, the political split led to a large increase in the activities of those elements who flout and violate the Constitution of the Union of Burma, in their attempt to exploit and take advantage of the situation.

These insurgents, during the last 10 years, suffered intolerable damage, both politically and militarily, at the hands of the Government and were in such sad shape that in late 1957 and early 1958 many began to admit that the rebellion was a mistake and were now "entering the light" in large numbers. During this period when the insurgent forces were breaking apart and large numbers surrendering, there began also to appear upheavals and intrigues within the political organization in power.

When the political group in power split asunder in June, 1958, all these rebels who were on the verge of "entering the light" halted their steps forward. The Burma Communist Party had sent a representative to hold negotiations for peace terms as the party as a whole had agreed to "enter the light." The talks had progressed to the final satisfactory stages when the political group in power split, and then the BCP immediately changed its tune. All steps to "enter the light" were halted and now new demands were brought out to exert pressure on the Government.

The Peoples' Comrade Party "entered the light" following the AFPFL split. There are many definite indications that the PCP's did not come into the light with the same lack of ulterior design as other groups or organizations. The PCP's left behind most of their good arms cached in the jungle. Some of their arms were sold to other insurgent groups remaining in the jungle. Of the arms handed over to the Government, it will be observed clearly that over 70 per cent of the arms may be classified as old, damaged and beyond usage.

Mr. Speaker, Sir, the only reason why the PCP's entered the legal fold was to create disturbances and unrest, both by above-ground and under-ground means, in their efforts to exploit the political situation. This was clearly expressed by some of their leaders

in public speeches. There are also fully substantiated reports that, in some districts, surrendered PCP's have begun to intimidate villagers, through the strength of their hidden arms, to vote only for their candidates in the coming election.

It is not only the PCP's who are taking advantage of the collapse of the political pillar to create confusion and unrest in the country through both above-ground and under-ground elements. For instance, there are the KNDO's. The Delta Headquarters of the KNDO's was recently shifted to the opposite bank of Insein, and through their contacts above-ground the KNDO's began to create various problems to hinder the administration. All other insurgent groups, believing it was most opportune now to take full advantage of the political split, began to increase their activities.

The effects of the political split did not confine itself to this situation but also dealt a blow to the governmental machinery. The effects were so devastating that most officials in districts, entrusted with the task to maintain law and order, became so cowed that they feared to apprehend even those who broke the laws under their very eyes. I am assured that the Members of Parliament fully appreciate what the fate of the country would be if the governmental machinery, on losing its strength, fails to maintain law and order.

You will not fail to observe from what I have just described that the situation was close approaching that sad spectacle of 1948-49.

Mr. Speaker, Sir, speaking of the 1948-49 situation, I would like to take this opportunity to recount very briefly how serious the situation was then.

The armed forces, not having encountered such an eventuality ever before, were caught napping and fully unprepared by the traitorous insurgents who overran the country at will. For instance, these same PCP's who have entered the legal fold, were on one hand in alliance with the Government, but on the other hand were looting treasuries and capturing towns. This we cannot ever forget.

The governmental machinery then was so weak and confused that it did not know what action to take when rebels captured police outposts and looted treasuries. There were many cases where the Home Ministry was contacted for instructions when such acts were committed in the districts. In some cases, army officials, though priorly informed through local intelligence, had but little time at their disposal to make due preparations, and perforce had to look on with folded arms.

Mr. Speaker, Sir, I do not know whether or not my terms of description will be acceptable to all the Members of Parliament. Nevertheless, I find, definitely, that during these last six months of 1958, the situation was gradually beginning to take on the shape of what it was in 1948-49.

The armed forces suffered once but are now well prepared. No opportunity will be allowed for a repetition of the situation of 1948-49. That is why various national security plans were drawn up since 1953 to install all precautionary measures against a reoccurrence of that situation. Plans were drawn up to forestall any such eventuality again. Directives were issued to all armed units to carry out security measures in their respective areas, as indicated in the plans provided to them, in the case of an emergency.

Mr. Speaker, Sir, the situation has daily become more and more confused. There was so much confusion that UMP units assigned to certain district areas began converging on Rangoon in large numbers, some in uniforms and some in civilian dress; and when the IGP was asked the reason why such large numbers of UMP were being called to Rangoon, he replied, quite honestly, that he did not know anything about the matter at all.

The situation was that much confused. The governmental machinery also deteriorated to its present weak condition. The rebels were increasing their activities and the political pillar was collapsing. It was imperative that the Union should not

drown in shallow water as what almost did come about to happen in 1948-49, so it fell on the armed forces to perform its bounden duty to take all security measures to forestall and prevent a recurrence.

Mr. Speaker, Sir, former Premier U Nu has already acquainted the Members of Parliament with the events in the last stages. U Nu called on me to assume the responsibility of leading a government to save the country in time from disaster. In my capacity, I could not avoid assuming this responsibility and I have accepted this responsibility with the due sanction of Parliament in strict accordance with democratic practices.

Mr. Speaker, Sir, I have accepted this responsibility, in large measure, to prevent any assault on the Constitution, which all of us revere and respect. I have taken this responsibility solely on my capacity as an individual, a citizen, and as a soldier. That is why I was emboldened to accept this responsibility when Parliament gave me this task.

Mr. Speaker, Sir, I wish deeply that all Members of Parliament would hold as much belief in the Constitution and in democracy as I do. I wish deeply that all Members of Parliament would defend the Constitution and democracy as I would. I wish deeply that all Members of Parliament would sacrifice their lives to defend the Constitution as I would do in my capacity as Prime Minister, as a citizen, and as a soldier.

Mr. Speaker, Sir, besides this aspect of sacrificing one's life to defend the Constitution, I would like to speak first on the issue of peace and law and order, an issue that means life and death to the country.

Mr. Speaker, Sir, regarding the establishment of internal peace, it may be observed that some elements are striving to mislead the masses with a misconception based on a false expectation . . . Such a form of conception as to mislead people on to such a wrong path making it appear as though peace would be immediately secured as soon as the Government would hold a face-to-face meeting with Thakin Than Tun.

These attempts to mislead the masses will only take the country farther and farther away from peace, instead of bringing about any kind of peace at all. That is the reason why I cannot accept this promise. The establishment of internal peace is not accomplished as swiftly or as easily as a magician performs his trick.

The insurgents in the country do not belong only to Thakin Than Tun's group. There are also the Red Flags and the KNDO's and various multi-coloured insurgent groups. The laying down of arms by one group will not mean the end of the insurrections or the return of peace to the country, as most of you are well aware.

The entire Pao organization entered the legal fold. Also the Mons and also some of the PCP's. When these groups entered the legal fold I was assured of their substantial contribution to the establishment of peace. But internal peace is still not yet an accomplished fact. There are still many various insurgent groups remaining in the jungle. Insurgency is still rife.

I will gladly accept all those insurgents who "come into the light." If they wish to do so, there is still time for them to contact the nearest military outpost and they will be accepted as such. As regards how they will be treated, it will be dependent on each individual; each case will be considered on its own merits.

But I do not believe that such measures like individuals or groups surrendering, or the Government holding a face-to-face meeting with the insurgent leaders, or by the giving of a complete indemnity, that internal peace will be obtained. Those people who believe so are just indulging in wishful thinking.

Mr. Speaker, Sir, I do not believe that the giving of complete indemnity to insurgents or criminals will bring a complete end to insurgency or to crimes being committed in the country. We are not fighting against just one group or just one individual. We are fighting to eradicate the tendency and urge towards rebellion, the tendency to commit dacoity, the tendency to commit murder.

My personal views are against indulging in any wishful thinking. I wish for a realistic and practical approach to the problem. The most practical and realistic solution would be for each and every insurgent group to renounce sincerely the doctrine of usurping power through armed rebellion; to give up all their arms; and to enter the legal fold. I believe firmly that this is the only effective and realistic solution.

A crime is a crime. A murder is a murder. And a rebellion is a rebellion. If a crime is admitted or proven as such, appropriate punishment should first be pronounced and any mitigation of the sentence be made only later. That is the correct approach to the problem. But if the crime is not to be acclaimed as such or that murder is not so, at all, then how can the victims and sufferers of these acts possibly accept it as such. This will not be in conformity with the universal principles of right and wrong.

Mr. Speaker, Sir, if peace is really ardently desired and if there is real love for the country, it should be realized as such that all these acts of rebellion, crimes, and efforts to bring the country to ruin, are extremely wrongful. We shall have to erase completely the tendency to rebel and to kill. There are no short cuts to internal peace. That would be just wishful thinking. Let me emphasize this point clearly.

Mr. Speaker, Sir, there has been an unprecedented increase of dacoities, killings, rapes and kidnappings in the country. This could happen only because the authority of the Government is not so effectively enforced throughout the country. To ensure peace and quiet in the country, the governmental authority must be able to enforce discipline against all wrong-doers. There will be peace in the country only when governmental authority is widespread and effectively enforced, not only in towns but also in every village and hamlet; when a cultivator can confidently work his land without fear of dacoits, and when the village headman can assert his authority without the need for arms.

The governmental authority now is not being effectively enforced not only in villages but even also in towns. In this situation, it is not surprising that crimes flourish. What needs to be done is to re-establish the situation when a headman can enforce his authority without recourse to arms. It will be necessary to begin from the grass roots to revitalize this entire governmental authority.

We must strengthen this authority. We must work to establish widespread and effective enforcement of the laws of the land. I make this request to all Members of Parliament to contribute to the establishment and strengthening of this governmental machinery.

In the performance of this task to establish effective control of the country by the governmental machinery, my Government will fully respect the Constitutional guarantees concerning justice, freedom and equality. The underlying policy of my Government is that all those people who respect the Constitution will receive all the rights and privileges that they are entitled to. But, those who break the laws will be severely dealt with.

My personal request is that the people themselves should point the finger of accusation against all wrong-doers; arrest them and place them in the custody of the Government. The spirit, determination, will and integrity to demand punishment against all wrong-doers should be fully inculcated amongst the people. If such a determination and spirit does not exist, then the people of this country are in no favourable position to preserve the freedom of the country. I request that Members of Parliament encourage and educate the people to foster such a spirit and courage of outlook.

Mr. Speaker, Sir, the second point that I wish to speak about concerns the holding of a free and fair election. If the insurgency and preponderancy of crimes are brought to an end, through the means I have outlined, then it will be possible to hold an election that will be free and fair.

I will strive my utmost to accomplish this undertaking within the six months period. The success of this undertaking depends not wholly on my Government, but also on the leadership to be given by the Members of Parliament and by the political

organizations. If all the Members of Parliament and their respective political organizations work jointly to achieve this common aim it will not be long before it would be possible to hold such a free and fair election.

I wish to state here, most emphatically, that my Government will not work in the interests of any particular political party during the election. All measures will also be taken to ensure against any partisan activities by Government officials on behalf of any political party during the election.

Mr. Speaker, Sir, I wish now to speak about the fact that just as there are perils threatening the country due to the armed insurgents, there are also perils in the form of economic insurgents. The people of this country will continue to suffer at the hands of the economic insurgents as long as businessmen will do anything for a profit, as long as they always strive for a large profit margin and as long as they welcome participation in black-market activities.

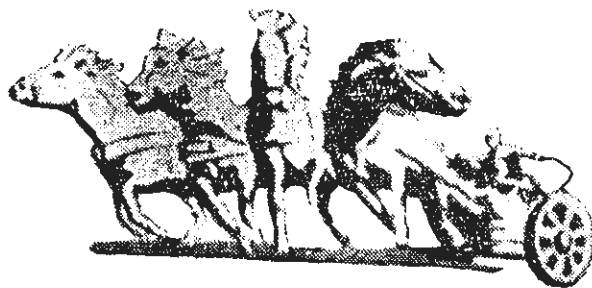
I wish to make this request to the business sector. Give up those ideas of raking in huge profits. Give up those monopolistic practices. When the rebels are bringing the country to ruin through armed rebellion, do not contribute to the ruin of the country also through economic insurgency. Do not commit this economic insurgency, even if inadvertently.

It shall be announced here in no uncertain terms that, even if despite this request, rules and regulations continue to be flouted, due and severe action will be taken according to law.

My Government will strive its utmost to bring down the high-ceiling prices of goods and foodstuffs today. I wish to suggest to the Members of Parliament and to the consumer public not to remain passive against those guilty of inflating prices. Do not depend entirely on the Government to take action against them. Lend your help to bring these economic insurgents to the attention of the Government. If the people, through mass action, can bring about the apprehension of these economic insurgents, I assure you that my Government will mete out due and severe punishment to these wrong-doers.

Mr. Speaker, Sir, my Government does not entertain any notion to introduce any changes whatsoever in the foreign policy being pursued. I wish to announce that my Government intends to continue in the practice of strict neutrality free from any entanglements.

Mr. Speaker, Sir, in conclusion, I wish to state that all that have been accounted heretofore are an elaboration of what I have frequently stated, that the attainment of internal peace is dependent on an integrated policy of military and political action, and not merely on military means alone. This is the slogan of my Government.



TEXT OF ADDRESS BY PRIME MINISTER GENERAL NE WIN TO PARLIAMENT ON FEBRUARY 13, 1959

Following is the text (translated) of the address made by Prime Minister General Ne Win to the Chamber of Deputies on February 13, 1959 outlining the reasons for his resignation based on the conviction that the prevailing conditions in the country did not satisfactorily ensure that an election held in April 1959 could be free and fair:—

MR. SPEAKER AND MEMBERS OF PARLIAMENT,

There are many various issues which I wish to present to Parliament today, but before I proceed with that task I wish first to inform you that I have tendered a letter of resignation since early this morning to the President of the Union of Burma. My decision to resign from the Prime Ministership was prompted by reasons which shall be made clear in the latter passages of this address.

I wish to reassure the citizens of the Union of Burma not to be unduly alarmed by my action in resigning from the Government. For, although I am resigning from the Prime Ministership, I shall continue in the performance of my tasks and duties as the Chief of Staff of the Defence Services of the country. I shall continue unimpeded in the vital task of prosecuting activities against all the various forms of insurgents in the country. There are two types of insurgents, armed insurgents and economic insurgents. As Chief of Staff of the Defence Services it will be my primary task to eradicate the armed insurgency in the country, but following this priority, it will also remain my task to suppress, as far as possible, all forms of economic insurgency in the country. With the kind permission of the Speaker, I wish to acquaint the Members of Parliament and all the citizens of the Union with this fact.

Mr. Speaker, Sir, with your kind permission, I would like to issue a warning to the economic insurgents. They might think to themselves: "Now, the Caretaker Government is no more and we can commit as much economic insurgency as we like". Do not entertain any such notions. I give you this stern warning that you will face a penalty as severe as the scope and extent of your acts of economic insurgency.

On their part, citizens of the Union should not indulge in widespread purchasing and stocking of goods and necessities just to forestall the economic insurgents. Citizens should refrain from doing so, because by this very activity they will be aiding and abetting the cause of the economic insurgents. The Defence Services will continue to perform the task of providing and distributing the various basic necessities and foodstuff required vitally by the populace.

Mr. Speaker, Sir, with your kind permission I would also like to state this to those particular people in the districts—those villagers who armed themselves with whatever weapon was available, the crossbow or the bamboo spear, to work in conjunction with the Defence Services, the Police and the UMP, to maintain security against the insurgents in their respective areas. Do not be disheartened now that I have resigned from the Prime Ministership. Do not let your morale be affected by this. Bear in mind that the Defence Services, which I have the privilege and honour to head, will never forsake you. You, who are known as Peoples' Partisans, will always have the support of the armed forces. Your fate and ours are bound closely together and we shall continue to work in close co-operation to eradicate the insurgency in the country. From this Chamber of Parliament, I announce this to you.

Government servants, on their part, should not allow the factor of political changes in the government to affect the performance of their duties. Do not let political partisanship interfere with your fundamental outlook as government servants to be loyal to rules and regulations, to the legal order of things, and to established practices of good government.

And, especially now, during this period of successive governmental changes, due emphasis should be placed on a more loyal and conscientious devotion to duty performed most rightfully. On my part, I shall strive to perform more ardently my various duties

and tasks as Chief of the Defence Services. Injustice shall not prevail. Only what is fair and just shall prevail. And with the kind permission of the Speaker and through the auspices of this Chamber of Parliament, I wish to announce this message to all the Government servants.

Mr. Speaker, Sir, the second part of my address will concern that issue of the holding of a General Election before the end of April, 1959. Whether it can be held or not. And whether it should be held or not. The undertaking by my Government entailed making possible the holding of a free and fair election before the end of April, 1959. This, in effect, involved two factors; the time factor as indicated and, what constituted a free and fair election. Now, the time element, as indicated, was quite definitive in its description and no need would exist for any elaboration on this issue. But on that aspect of the holding of a free and fair election, I wish to state that conditions do not permit, as yet, fulfilment of the undertaking to make possible the holding of a free and fair election in April, 1959. Regarding this particular aspect concerning what it entails in a free and fair election, full particulars will be presented in the third part of my address concerning the situation and conditions in the country, and so I shall not indulge in a detailed account here.

I shall state my view-point quite briefly here. I am convinced that the prevailing conditions in the country do not make it feasible or possible the holding of an election where votes can be cast freely. Nonetheless, irrespective of whether or not the conditions are favourable regarding the holding of a free and fair election, should Parliament insist on strict compliance with the time extent prescribed, then this Parliament, itself, may decide on its own responsibility the holding of an election. But if I were to express my personal opinion, I would say that an election, if held within this period, would be merely a token election held just for its namesake.

Mr. Speaker, Sir, in this third part of my address, I wish to present an account of the situation and conditions prevailing in the country during the tenure of my Government. The deep antagonism and constant bickerings between the various political organizations in the country still continue unabated today. The strong urge towards violence and bloodshed has not lessened to any perceptible degree. Now, if these violently aggressive political factions should be in possession of arms, legally or illegally maintained, then an end to violence and bloodshed in this country cannot be immediately foreseen. During the election it is a certainty that voters will be exposed to intimidation by those in possession of arms. And that is exactly why, during the tenure of my Government, full-scale measures were implemented to collect all arms held in the country, legally or illegally. As more and more of these arms are collected by the government so will the extent of the elections being free and fair increase in proportionate degrees.

Let me give you an example. Recently, more than 10,000 assorted firearms were collected in a drive carried out in merely the two districts of Prome and Tharrawaddy. Many more arms remained secreted in these areas and it is not possible to estimate as to the actual numbers. But, from these two instances, Members of Parliament can readily gauge the vast number of such arms that are being held legally or illegally throughout various other parts of the country. I might add, of course, that full measures are being conducted to collect all arms and weapons in all the various districts throughout the country.

Mr. Speaker, Sir, during the three months' tenure in office of my Government, full-scale and effective measures were conducted in intensity against the insurgents. And, as most of the Members of Parliament are aware, most impressive results have been obtained in disrupting and disorganizing the insurgent elements. Yet, it may be observed that even in those areas regarded as least infested by insurgents, these remaining insurgents are still capable of exerting intimidation on the people of these areas. And this, in fact, is what is being done.

On their part, the masses have joined most wholeheartedly in the campaign against the insurgents even since the installation of the present Government. With their morale heightened, villagers have flocked to work in conjunction with the armed forces,

the police, the UMP, as security elements in the campaign to destroy the insurgency. These villagers have come out armed with crossbows, *dahs*, and bamboo spears. These villagers, these Peoples' Partisans, these Peoples' Reporters have made it quite untenable for the insurgents. These insurgents are on the run helter-skelter and their territories of influence are lessening day by day, it may be observed.

Mr. Speaker, Sir, in the second part of my address I made reference to the feasibility or not for the holding of the election. If despite the conditions I have described, Parliament decides to hold the election, it will then be necessary to withdraw troops of the armed forces now stationed to conduct effective campaigns against the insurgents so as to reassign them more appropriately to enable supervision of the elections. But if these troops are withdrawn, then the insurgents who are running helter-skelter, will obtain a breathing spell. From a military point of view, the momentum of attack exerted in pressure against the enemy should never be held in abeyance but the attack pursued vigorously to its logical conclusion.

There is also another aspect regarding this particular issue of an election and restationing of troops. If the Government's troops are withdrawn from campaign areas, then all those villagers who fought alongside the troops, at the risk of their lives, would appear to be surrendered to the insurgents. It is certain that the insurgents will exact brutal revenge against them. To these villagers it would mean 1948-49 all over again; the period when most of the villages abandoned to the insurgents were put to the sword and fire.

It would mean a second similar ordeal for them. And if this should reoccur whichever Government that comes into power in future will find it well nigh impossible to obtain again the support and confidence of the masses. The masses will have no secure refuge, their morale will be at the lowest ebb and all ties would be severed between the Government and the masses. Now, this present whole-hearted and vigorous support accorded by the masses to the Government may well be regarded as the highest achieved co-operation and understanding between the masses and the Government since the insurrections began. This advantage should not be abandoned.

Mr. Speaker, Sir, in reporting on the situation of the electoral rolls, I have to state that the electoral rolls in about 170 of the 250 electoral districts have been completely compiled. Electoral rolls in the other districts are only part towards completion. Progress reports on the rolls in the other districts will be received at the end of this month. Elections to the Chamber of Nationalities will also be dependent on the completion of these electoral rolls.

Mr. Speaker, Sir, in this fourth part of the address I shall explain the reasons of my resignation. I have just recounted in full the prevailing conditions and reasons why it is not possible to hold a free and fair election. This view is based on actual conditions prevailing in the country and not motivated by any inclination, whatsoever, to continue as Prime Minister. I wish to make this quite clear to all the Members of Parliament. I do not harbour any strong urge to serve as a Prime Minister and that is exactly why I have tendered my resignation so that the issue of the election may be deliberated upon freely by Parliament assembled here.

Mr. Speaker, Sir, if it should be decided to hold the election in April, and since I have tendered my resignation since this morning, then before the formation of the government duly constituted by the election, it would be necessary to form an interim government in the interim period. In view of the present attitude of the political organizations towards the government headed by me, I deem that I ought not to continue in the office of Prime Minister. And that is the second reason why I have tendered my resignation.

Mr. Speaker, Sir, when I was elected to serve as Prime Minister in October, 1958, I was accorded the full support of the two major political parties represented in Parliament, the Clean AFPFL and the Stable AFPFL. It was only due to this large majority approval and support that I accepted without demur the task and post to head

a Government. But now, there is the Stable AFPFL which accords support to my Government till the election in April and which has announced that it will support my Government if it is found necessary to continue so as to bring about the optimum conditions for the holding of a free and fair election. But, the Clean AFPFL has undergone some changes in outlook. They have made accusations that during the 3-month tenure of my Government, the Clean AFPFL has been discriminated against and many members of the organization arrested. In a way, this was an indication of the change in attitude of this political party towards my Government. This change in attitude of the Clean AFPFL, which had originally proposed me as Prime Minister, has added another reason for my resignation. That is exactly why I wish to refrain, if it should be feasible, from serving as Prime Minister as from today till an election in April or until an election at a later date.

Mr. Speaker, Sir, there is yet another reason that prompted me to resign from the Prime Ministership. As I have said earlier, an election held in April can by no measure be a free and fair election. Yet, if despite these conditions Parliament should decide on the holding of the election in April, I am unable to accept the supreme responsibility of Prime Minister during the holding of these elections. But as Chief of Staff of the Defence Services I will do my utmost to make the election as free and as fair as possible and carry out the task assigned to me by the Government that I will serve under, strictly and to the utmost of my capabilities.

Mr. Speaker, Sir, the fifth part of my message relates to the problems that has now arisen and how they are to be coped with. As I have resigned from the Prime Ministership today, this Parliament shall have to elect a new Prime Minister. The tenure of this Prime Minister will be dependent on the decision as to whether the election would be held in April or not. If the election is to be held, the new Prime Minister will be in office till the Government constituted in April takes office subsequently. If the election is not to be held in April, then the tenure of the new Prime Minister will depend on whether he is a Member of Parliament or not. If he is a Member of Parliament, his tenure will last till the next normal election to take place in 1960. If he is not a Member of Parliament, then according to Chapter 7, Section 116, his period of tenure will not exceed six consecutive months.

Mr. Speaker, Sir, if it should be found unable to find a substitute and this Parliament should express its desire that I should resume the Prime Ministership, then it would appear that Section 116 should be appropriately amended. It would be untenable for me to accept the Prime Ministership if a suitable amendment of this Section is not made. The simple reason is that I have no inclination or desire to act in conflict with an existing law. I also feel strongly against any such action. Incidentally, let me recount a historical anecdote in this connection.

Mr. Speaker, Sir, it was in 1949 that under this same Section 116 of the Constitution, I came to serve as a Minister in the Government. It was then that I experienced a qualm of conscience whether I had infringed the provisions of the Constitution. Accordingly, I sought advice of experts on the Constitution. U Chan Htoon, Attorney-General at that time, proffered a valuable opinion on the issue, and with your kind permission, Mr. Speaker, I shall read out his opinion:

"D.O. No. 1432/10-49.

Rangoon, 15th October, 1949.

REFERENCE: *Application of Section 116 of the Constitution to Members of the Provisional Union Government.*

DEAR BOGYOKE,

With reference to the question as to whether a Member of the Provisional Union Government ceases to be so if he fails to become a Member of the Parliament at the expiry of six consecutive months from the date of his appointment, the relevant provisions in the Constitution are contained in Sections 56, 116 and 231 (3).

The Members of the Provisional Union Government are appointed by virtue of their elections by the Constituent Assembly under Section 231 (3) to hold their offices 'until the President duly elected under Chapter 5 has appointed other persons in accordance with the provisions of Section 56'. From this it appears that once a Member of the Provisional Union Government is appointed under this Section he will remain until a duly constituted Union Government comes into office after the first General Elections. This is a provisional arrangement applicable to the transitory period; and I must confess that at the time when the transitory provisions were drafted it was not within the contemplation of the Constituent Assembly that the transitory period would be prolonged beyond 18 months from the date of coming into operation of the Constitution as provided in Section 233. Until the said provision in Section 233 had to be suspended by the Provisional President under Section 230 of the Constitution for the purpose of removing the unforeseen difficulties in the way of complying with the provisions of Section 233, the spirit of the provisions applying to the duly constituted functionaries (such as the President, the Union Government, etc.), was followed, as far as practicable, in matters relating to the provisional functionaries as well. But however in view of the unforeseen difficulties and the prevailing conditions which make it impossible for strict compliance with that spirit, we have been compelled to follow the legalistic view of the Constitution.

Section 116 of the Constitution would apply to a Member of the duly constituted Union Government, *viz.*, the Government appointed under Section 56 of the Constitution by a President duly elected under Chapter 5 of the Constitution.

I am therefore of opinion that Section 116 of the Constitution does not in law apply to a Member of the Provisional Union Government.

Yours very sincerely,

(Sd.) CHAN HTOON,

Attorney-General."

According to this opinion of U Chan Htoon, Section 116 of the Constitution is applicable to a person who is not a Member of Parliament.

Mr. Speaker, Sir, what I wish to point out is that if due to circumstances a non-member of Parliament be elected to serve as Prime Minister or Minister and should be needed to serve for a period exceeding 6 months then the provisions concerning this Section 116 should be made exactly clear in this regard. But the law should not be stretched in its interpretation according to one's wishes. If an amendment of this constitutional provision is deemed necessary in the interests of the country, then a suitable amendment should be made, temporarily, to suit the circumstances then obtaining, and only for that necessary period.

Mr. Speaker, Sir, I wish to make this appeal to the Members of Parliament that they accord deep consideration to what I have laid out before them, in arriving at a decision on this particular issue, keeping in view the general welfare and interest of the entire country.

Mr. Speaker, Sir, in conclusion, although I have resigned as Prime Minister, I wish, in order that the succeeding Government does not encounter any difficulties, to present the supplementary estimates of the Budget to Parliament.

TEXT OF ADDRESS BY PRIME MINISTER GENERAL NE WIN AT ANNUAL UNIVERSITY CONVOCATION ON DECEMBER 2, 1958

NEW GRADUATES OF THE UNIVERSITY AND GUESTS,

I never dreamt that one day I would have the privilege to give a Convocation address as the Chancellor of the University of Rangoon. But for some years, I have been wanting to speak on certain matters concerning the students of our country. Now that I am fortunate enough to have the opportunity, I will not only give advice to those who, because of their ability, have just said their farewell to the carefree life of students and have been admitted to their several degrees, but also speak on important matters concerning all students.

Before I begin, however, I want to assure you all that like an elder brother advising his younger brothers and sisters, I speak with the purest of motives, and I have no other aim than to set the students on the path of truth.

The first matter that I want to speak on is the indiscipline which prevails among students in general and University students in particular, because I firmly believe that the success or failure of the present generation of students in their later life beyond their school and university walls, depends on the extent of the discipline or the indiscipline that now exists in schools and colleges.

From my own personal knowledge, I can say that present-day students have no respect for their teachers nor for their parents, and they have no consideration and no regard for each other. By this lack of respect for those to whom respect is always due, and also by this lack of consideration and regard for each other, students are destroying their own golden future.

Everyday, to our distress, in the newspapers we read of the behaviour of students, such as a student stabbing his own headmaster, students of one institution fighting with students of another institution and attempting to set fire to that institution, and of students stabbing each other. All these incidents are evil omens for the future.

With regard to students in schools, I would like to say this. During my school days, when a student was punished by his teacher either by caning or imposition of extra work, he had no resentment against his teacher, and with lowered head and meek demeanour, he accepted the punishment; when he reached home after school, his parents frowned at him in displeasure and further scolded him by saying that the teacher had been too kind and the punishment too light; for in those days, the authority of the teacher was accepted without question not only by the students but also by the parents.

Nowadays, in contrast, we find students wanting to go on strike just because they have to stand on their benches for their misbehaviour. We also find students shouting at and arguing with their teacher just because he has raised his voice to scold them for their misbehaviour.

Many parents do not seem to know that they have a duty to discipline their sons, and some parents will even feel hurt and insulted when their sons are scolded by their teacher for their misconduct.

In colleges, the position is even worse; for example it is quite common for a student to gather up his books in anger and strut out of the lecture room with noisy footsteps, merely because his lecturer has shouted to him to stop making fun of him.

To make fun of one's own teacher in the middle of his lecture is bad enough, and to walk out in protest for being justly scolded is worse, but what makes the whole matter so tragic and so heart-breaking is the fact that the student considers himself to be a bold and daring person and the other students consider him to be a mighty man of valour.

I will admit at once that in all countries of the world, as an aftermath of the war, students and young people have become immoral, unruly, and indisciplined. But I will never accept the argument that merely because that youth of other countries are indisciplined, it will not be just and fair to our own youth to single them out and scold them for their indiscipline.

Moreover, if any one of you will be foolish enough to accept this false argument and will choose to watch with folded arms the present state of affairs, making no attempt to check the rising tide of indiscipline, the future of our nation is indeed bleak.

As all students will realize when they look round their classrooms, schools and colleges all over the country are short of accommodation, short of books and classroom-equipment, and short of teachers. The Government has done its best to overcome these shortages, but it must be remembered that the student numbers in our country have increased many times over during recent years, and as a result, the ratio of teachers to students has become very low and schools have to introduce a system of double shifts.

As the teachers have to do double duty and are overworked and have no leisure, they can no longer give undivided and individual attention to the students. Taking advantage of this, the students have found fit to break the rules of good conduct and discipline. The public regrets this state of affairs, but many people think that the indiscipline will merely lead to students failing in their examinations.

But I want to warn you all that the effect will not be as simple as that, for indiscipline is not a mere sore which will pass after some painful hours, but a cancer that is beginning to eat into the golden body of Burma's future.

I dare not imagine that Burma that would be built in the future, by men who in their youth have spent their time in such behaviour as daring to argue against their teachers, stabbing each other, showing disrespect to their parents, neglecting their studies, staying away from their classes or walking out of their classroom at will, attempting to burn down the school building on the slightest excuse.

As Prime Minister, I cannot allow this state of affairs to continue and during the tenure of office of my Government, a firm foundation of discipline will certainly be laid. Only then will the future of students and the future of our country glow with hope.

The second matter that I want to speak on is the question of students and politics. When a country is under alien rule as a slave, then every person belonging to that country has both the privilege and the duty to work for liberty, freedom, and independence of his country.

Therefore, during the period of our national slavery under colonial rule, Burmese students fought in the front-rank of our patriotic fighters for freedom. The circumstances were such that they had to fight in the front-rank, and they were trusted and relied upon by the whole nation. And their actions proved that they were worthy of the nation's trust.

But once national freedom has been won, the sole and single duty of students is to study, to learn, to gather knowledge, in short, to acquire an education.

However, I must point out that you will be very wrong if you think that mere passing of examination is more important than the actual acquisition of knowledge. As you are aware, because of the intervening period of colonial rule, our country is behind times, and therefore to make up, you must endeavour to produce great scientists, great technicians, great engineers, great physicians. That is the students' task in our country.

Unless our schools and universities produce them, where can we get our great scholars, scientists, and technicians? And if we do not have our own great scholars, scientists and technicians, how can we take our place among the independent nations of the world?

Speaking for myself, I want to hide my head in shame that during eleven years since our Independence, we have had to rely entirely on foreign technicians and experts. How I long to see great scientists and great technicians among our students!

How the parents and the whole nation long to see the same !

Therefore, I exhort all students to cease to be mere part-time students and part-time politicians, and to become full-time students with one avowed aim of acquiring knowledge.

If they refuse to follow this advice, they are failing in their duty to their own country. Only when a person has acquired enough knowledge on which he can base judgment as to what is right and what is wrong, will he be free from the danger of being cheated and misled by others. So all students must endeavour to acquire as much knowledge as possible. If they do not endeavour to acquire knowledge, they are certain to believe what unscrupulous persons say, and they are sure to be cheated and fooled.

I will also request politicians, not to be wolves in sheep's clothing, and not to pretend to be students and spoil the educational careers of real students. As Prime Minister and Chancellor, I say that I will take swift and drastic action against those politicians who are found interfering with the education of our youth.

I will also warn all students to exercise their utmost care not to be caught in the snare set by politicians and not to sacrifice themselves merely for the profit and advantage of politicians.

The third matter on which I like to speak concerns you all, who have just earned your degrees and have left the student world.

However much we say in praise of our University, we have to admit that it has not yet reached the standard set by the best universities of the world. In fact, its standards have fallen quite a bit. So you must not be conceited over the fact that you have left the University with your degrees. Remember that in any case, the knowledge and learning you have acquired at the University are merely the fundamentals and rudiments with which you must begin your long journey of life.

Knowledge is without limit and boundary and you must continue to gather knowledge by practice and experience in the wide world. If you think that just because you have obtained your degrees, you have learnt all you have to learn in life, you are tragically mistaken.

Therefore, I will exhort all of you, new graduates, not to be conceited, not to be content with what you have learnt, but to continue to study and learn although no longer within the walls of your University, realizing with humility that you still have to endeavour much to perfect your knowledge, so as to reach the high standards attained by graduates of the greatest universities of the world.

Lastly, I will advise you about your work in your chosen profession, or about your choice of a profession. As you know, the majority of our people live in villages and small towns, and they do not have the opportunity like yourselves to come to a great city and to acquire knowledge at a university.

You must sympathise with them in this their misfortune, and the best way to show your sympathy is to choose some work or profession which will not keep you sheltered in comfort in the city, and which will instead take you to remote villages, where you can mix with the simple and unlettered people, and you can help to widen their horizon of knowledge.

My experience in the past has been to find that most graduates or educated people did not want to work outside the city of Rangoon, with its many amenities. I consider that they were selfish and very wrong in their attitude. I hope that the new graduates before me do not have that mistaken attitude.

In your chosen professions, if you can forget your self-interest entirely, and work only for the good of your nation, how wonderful it will be! However, we are not all saints, and even though you have to work for your own self-interest, see that you also work for the good of your nation. Do not work only for your own interest, at the cost of the interest of your country. Even if you cannot sacrifice your self-interest, at least see that you do not sacrifice the interest of your country.

With this final advice given in affection and regard, I wish you joy and success.

TEXT OF ADDRESS BY PRIME MINISTER GENERAL NE WIN AT TAUNGGYI ON APRIL 29, 1959, AT THE CEREMONY MARKING THE INTRODUCTION OF POPULAR GOVERNMENT IN THE SHAN STATE

Since Independence, the Union has been endeavouring to set up and foster genuinely democratic institutions and ways of life. During the period, the Union has also been attempting to implement the aims and objectives of the Union Constitution. The defence of the Constitution also has been an important preoccupation of the Union since Independence. In thus forging its way ahead on the path of progress through democracy, an obstacle which has been obstructing its course has been removed today. This day therefore deserves to be recorded in the annals of the nation as an especially auspicious day.

The Preamble to the Union Constitution reads:

“WE, THE PEOPLE OF BURMA including the Frontier Areas and the Karenni States, Determined to establish in strength and unity a SOVEREIGN INDEPENDENT STATE, To maintain social order on the basis of the eternal principles of JUSTICE, LIBERTY AND EQUALITY and To guarantee and secure to all citizens JUSTICE social, economic and political; LIBERTY of thought and expression, belief, faith, worship, vocation, association and action; EQUALITY of status, of opportunity and before the law, IN OUR CONSTITUENT ASSEMBLY this Tenth day of *Thadingyut* waxing, 1309 B.E. (Twenty-fourth day of September, 1947 A.D.) DO HEREBY ADOPT, ENACT AND GIVE TO OURSELVES THIS CONSTITUTION.”

The above terms set down the firm resolution of the Union to accept genuine democracy alone as the basis of its guiding principles.

The time-worn feudal system of rule by hereditary Chiefs in the Shan State has been in existence until today. Therefore in view of the terms of the Preamble to the Constitution which mentions a dedication to democratic principles there would seem to have been a divergence between theory and practice. Sections 154 (2) and 183 (1) of the Constitution under the provisions of which the feudal states have been allowed to exist, also therefore were clearly at variance in spirit with the fundamental concepts underlying the Union Constitution.

These two Sections by the anomalous character of their provisions had made a travesty of the whole Constitution. It is therefore necessary for me to relate the incidents and considerations which had influenced the inclusion of these two Sections in the Constitution.

During the country's struggle for Independence, General Aung San and his associates were beset with diverse problems and difficulties. They were confronted with the hardest of these problems when the British attempted to break up the unity of the nation by weaning away the Hills peoples from the peoples of Burma proper.

The British had been planning to grant freedom only to Burma proper and they intended to retain the Hill Tracts under their rule. If this plan should not materialize their alternate scheme was to attempt to win over the Hills peoples by promising them membership of the British Commonwealth. The British worked assiduously towards those ends. They exploited the comparative lack of political acumen of the Hills peoples and achieved a certain measure of success in alienating the feelings of these people away from the Burmese people of Burma proper.

General Aung San and his associates had to tax their ingenuity considerably in order to remove the suspicions and misunderstandings sown in the minds of the Hills peoples by the British. As a price for achieving unity of all the indigenous races of the country, General Aung San had to concede to the wishes of the *Saophalongs* and

had to guarantee them their accustomed hereditary rights and privileges. Special Sections were included in the Constitution which provided for the exercise of their hereditary rights. Similar arrangements were also made to safeguard the rights and privileges of the *Saophas* of the Kayah States.

Although the various Chiefs, at that stage, held political concepts which were none too progressive, General Aung San had felt that, given sufficient time, they would learn to adapt themselves to the changing conditions of the times. When that would happen, General Aung San had felt that the Chiefs would of their own accord attempt to remove the offending Sections from the body of the Constitution and they would thus voluntarily divest themselves of their prerogatives.

The resolutions regarding the surrender of hereditary powers by the Chiefs which were passed by the respective State Councils of the Shan and Kayah States during March last, the deliberations of the combined Houses of Nationalities and Deputies in March on the same subject and the splendid co-operation extended by the Chiefs in introducing the new system of Government in the Shan State, all combine to vindicate the decision then taken by General Aung San.

Formerly certain discreditable features of feudal rule and the shortcomings and indiscretions of some of the Chiefs had influenced my attitude towards them. But after witnessing the wholehearted and sincere way in which the Chiefs had set about divesting themselves of their rights and prerogatives, I cannot but entertain great admiration for their spirit. For one thing, had the Chiefs decided differently, various administrative as well as political problems and problems with both administrative and political implications would have cropped up to poison the relations between the Shan State and the rest of the Union.

Therefore to all the *Saophalongs* and *Saophas* who have co-operated in the introduction of popular Government and who have so magnanimously given up their powers would belong the full credit for having created the conditions where the above-mentioned type of problems could not arise.

I would now like to say something about the future of the Shan State. Now that they have divested themselves of all their hereditary powers and privileges and have also participated fully in setting up a popular Government, the *Saophalongs* and *Saophas* should, in close co-operation with the people, work diligently for the welfare of the peoples of the Union as well as the Shan State. I would like to urge them to devote their brains and their financial resources to the promotion of the social, economic and industrial development of the Shan State. To the people of the Shan State also I would like to say this. Because the *Saophalongs* and *Saophas* have given up their powers and are now bereft of all powers you should not behave disrespectfully towards them on that account.

I would now like to close my speech with the exhortation to you all to foster and safeguard the Panglong Spirit, to cultivate Union-consciousness, to fight those who would attempt the disintegration of the Union, to abandon narrow parochial attitudes as regards race and to endeavour towards the common welfare of the whole of the Union.

TEXT OF ADDRESS BY PRIME MINISTER GENERAL NE WIN AT ANNUAL UNIVERSITY CONVOCATION ON DECEMBER 18, 1959

TEACHERS AND STUDENTS OF THE UNIVERSITY AND GUESTS,

Since the Convocation last year, I have observed a distinct improvement in the discipline of the students and in their respect for their teachers. I have been very glad that we now have a prospect of raising a new generation of worthy sons and daughters of Burma. I praise the students and hope that they will not rest on their laurels but try harder for further improvements.

However, there was a dark spot on the white background of good student discipline concerning the trouble over the question of staying on in the hostels during the October holidays. I was extremely sad about it and my relief was great when the question was settled peacefully between the teachers and the students. I should like to praise the Rector for his sympathetic understanding combined with firmness of principle.

In the same way, I should like to praise the students for showing that they also can behave in a common sense and reasonable way and that they have not lost their capacity for respect and affection for their teachers.

Looking at this example, we see that close co-operation and discussion between the teachers and the students can resolve any problem provided there is no outside interference.

Now that the students are improving their ways, perhaps it is not out of place to say a few words about the teachers. If the University is to be looked up to by the mass of the people, the teachers must also live up to the very high moral and intellectual standards expected of them.

They must fulfil their duties and must treat them not merely as work, but as a vocation. They must lay down a deeper intellectual foundation for the progress of the University.

The next point I want to make is about "Government" help to the University. Although we ardently desire to give the best to the University and make it stand on its own with the world's best Universities, our achievement has fallen short of our desire. We have not been able to make concrete improvements. This is partly due to lack of skill and resources, and partly due to the fact that we are so hardpressed for time.

Here I am indeed very sorry that our administration, in spite of its keen desire, has not been able to do more and I must apologise to you. But I should like to urge the teachers of the University to have the intellectual and moral courage to give advice on the improvement of our educational system to whatever government that will follow.

Finally, I should like to give this message to the graduates who are now on the threshold of the problems of life. The education and training for which you are today receiving your degrees is only the beginning, the equipment which will help you to solve your problems of adult life a little better.

It is not the end, and in the same way that a sword can be kept sharp with continual use, you must not slacken your studies and must forever be ready to face up to the problems of the world.

In order to develop our country, we must not only increase the output of our existing industries, but must also create new industries. These new industries will not only benefit the country, but will also create jobs for the future graduates of the University.

Therefore, those of you who are leaving the world of students today cannot be satisfied with doing the traditional work in traditional ways, but must strive to innovate by introducing new ideas and new ways of promoting economic development. Only then will you be fulfilling your share of the duty of helping our country and our people,

LIST OF DEFENCE SERVICES OFFICERS ATTACHED TO OR SERVING ON A PART-TIME BASIS IN CIVIL DEPARTMENTS

STAR OF THE REVOLUTION FOR INDEPENDENCE

The Order of the Star of the Revolution for Independence was instituted by a Presidential decree of November 3, 1953, and all applications for admission into the Order are screened by a specially constituted commission headed by the Chief Justice of the Union. The award is a token of national esteem and gratitude to all those who had actively participated in the final phase of the struggle for national independence, either in military service or in the political sphere.

The Order consists of three distinctive degrees according to the period in which the recipient had served the national cause. The three periods are those from January 6, 1942, to July 26, 1942; from July 27, 1942, to March 26, 1945; and from March 27, 1945, to August 15, 1945. According to these three periods, the three degrees constitute the following:—

- (i) *First Degree—for all three periods.*
- (ii) *Second Degree—for any two periods.*
- (iii) *Third Degree—for any single period.*

This award is distinctive in that its insignia may be worn on all ceremonial occasions by the direct heirs of the recipient throughout future generations; in that this Star is the only insignia that may be worn on the right breast; and, also, in that the Roll of Honour of this distinguished Order shall be enshrined and prominently displayed in the National Museum.

(A) Ministry of Home Affairs

- | | |
|---|---|
| (1) Col. Maung Maung | ... Member of Central Security Council. |
| <i>Star of the Revolution for Independence (1st Degree)</i> | |
| (2) Col. Min Thein | ... Union Constabulary. |
| <i>Star of the Revolution for Independence (1st Degree)</i> | |
| (3) Lt.-Col. Kyi Han | ... Member of Central Security Council. |
| <i>Star of the Revolution for Independence (2nd Degree)</i> | |
| (4) Maj. Kyaw Tun Tin | ... Union Constabulary. |
| <i>Star of the Revolution for Independence (1st Degree)</i> | |
| (5) Maj. Taik Aung | ... Do. |
| <i>Star of the Revolution for Independence (1st Degree)</i> | |
| (6) Maj. Hla Shain | ... Do. |
| <i>Star of the Revolution for Independence (1st Degree)</i> | |
| (7) Maj. Khin Nyo | ... Do. |
| <i>Star of the Revolution for Independence (2nd Degree)</i> | |
| (8) Maj. Khin Zaw | ... Do. |

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|--------------------|-----|---------------------|
| (9) Lt. Thaung Mya | ... | Union Constabulary. |
| (10) Lt. Tun Kyi | ... | Do. |
| (11) Lt. Maung Bo | ... | Do. |

(B) Ministry of Democratization of Local Administration

- | | | |
|--|-----|-------------------------|
| (1) Col. Tun Sein
<i>Star of the Revolution for Independence (2nd Degree)</i> | ... | Corporation of Rangoon. |
| (2) Capt. Maung Tin | ... | Do. |
| (3) Capt. Kyu Kyaw | ... | Do. |
| (4) Lt. Khin Maung Yin | .. | Do. |

(C) Ministry of Immigration and National Registration

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|---|-----|---------------------------------------|
| (1) Col. Chit Myaing
<i>Star of the Revolution for Independence (1st Degree)</i> | ... | Directorate of National Registration. |
| (2) Maj. Ko Ko Gyi | ... | Do. |
| (3) Capt. Tin Maung | ... | Do. |

(D) Office of the Prime Minister

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|---|-----|-------------------------------|
| (1) Col. Saw Myint
<i>Star of the Revolution for Independence (2nd Degree)</i> | ... | Frontier Area Administration. |
| (2) Lt. Hla Htwe | ... | Do. |

(E) Ministry of Foreign Affairs

- | | | |
|---|-----|------------------------|
| (1) Brig. M. Kyaw Winn
<i>Star of the Revolution for Independence (2nd Degree)</i> | ... | Ambassador, China. |
| (2) Lt.-Col. Myo Myint
<i>Star of the Revolution for Independence (2nd Degree)</i> | ... | Counsellor, Chiangmai. |

(F) Ministry of National Planning

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|---|-----|--|
| (1) Brig. Aung Gyi
<i>Star of the Revolution for Independence (1st Degree)</i> | ... | Chairman, Budget Allocation Supervision Committee. |
| (2) Capt. K. Ba. Thaung | ... | Ministry of National Planning |

(G) Ministry of Agriculture and Forests

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|--|-----|---|
| (1) Col. Kyi Win
<i>Star of the Revolution for Independence (1st Degree)</i> | ... | Agricultural Resources Development Corporation. |
| (2) Col. Kyi Maung
<i>Star of the Revolution for Independence (2nd Degree)</i> | ... | State Timber Board. |
| (3) Maj. San Win
<i>Star of the Revolution for Independence (1st Degree)</i> | ... | Agricultural Resources Development Corporation (21-6-59). |
| (4) Maj. Nyunt Hlaing | ... | ARDC (22-1-59 to 20-6-59). |
| (5) Maj. Kyaw Hoe | ... | State Timber Board. |
| (6) Capt. Kyaw Aung
<i>Star of the Revolution for Independence (2nd Degree)</i> | ... | Agricultural Resources Development Corporation. |

- (7) Capt. Khin Maung Gyi ... State Timber Board.
Star of the Revolution for Independence (2nd Degree)
- (8) Capt. Aye Cho ... Do.
- (9) Lt. Myo Swe ... Agricultural Resources Development Corporation.
Star of the Revolution for Independence (3rd Degree)
- (10) Lt. U Tin ... Do.

(H) Ministry of Land Nationalization

- (1) Col. Hla Aung ... Survey Department.
Star of the Revolution for Independence (2nd Degree)

(I) Ministry of Supplies

- (1) Col. Mya Win ... Union Purchase Board.
Star of the Revolution for Independence (2nd Degree)
- (2) Maj. Zaw Win ... Do.
- (4) Maj. Ba Ni ... Do.
- (4) Capt. Ba Hla ... Do.
Star of the Revolution for Independence (1st Degree)
- (5) Capt. Tin Myint ... Do.
- (6) Capt. Maung Thein ... Do.
- (7) Capt. Than Tin ... Do.
- (8) Lt. Kyaw Din ... Do.

(J) Ministry of Mines

- (1) Brig. Tin Pe ... Ministry of Mines.
Star of the Revolution for Independence (1st Degree)
- (2) Lt. Mya Maung ... Namtu Mines.

(K) Ministry of Finance and Revenue

- (1) Col. Kyi Win ... Income Tax Department.
Star of the Revolution for Independence (1st Degree)
- (2) Lt.-Col. Hla Myint ... Excise Department.
Star of the Revolution for Independence (2nd Degree)
- (3) Lt.-Col. Saw Mya Thein ... Customs Department.
Star of the Revolution for Independence (3rd Degree)
- (4) Maj. San Khin ... Do.
Star of the Revolution for Independence (1st Degree)
- (5) Capt. Maung Maung Tin ... Do.
- (6) Capt. Khin Oo ... Do.
Star of the Revolution for Independence (2nd Degree)

(L) Ministry of Trade Development

- (1) Col. Khin Nyo ... Trade Development Corporation.
Star of the Revolution for Independence (1st Degree)

(2) Lt.-Col. Mya Thaung <i>Star of the Revolution for Independence (2nd Degree)</i>	...	State Agricultural Marketing Board.
(3) Sqn./Ldr. Soe Hlaing <i>Star of the Revolution for Independence (2nd Degree)</i>	...	Do.
(4) Capt. Khin Lat	...	Fish and Poultry Project.
(5) Capt. Min Swe <i>Star of the Revolution for Independence (1st Degree)</i>	...	Do.
(6) Capt. Kyaw Sein	...	Do.
(7) Capt. Thein Lwin	...	Do.
(8) Capt. Ba Tin	...	Do.
(9) Capt. Ngwe Gaing	...	Do.
(10) Capt. Ko Ko Lay	...	Do.
(11) Capt. Saw Ko	...	Do.
(12) Capt. Tun Aung Gyaw	...	Do.
(13) Capt. Maung Chaw	...	State Agricultural Marketing Board.
(14) Capt. Tin Chaint	...	Do.
(15) Lt. (BN) Myo Tint	...	Fish and Poultry Project.
(16) Lt. Kyin Taik	...	Do.
(17) Lt. Tun Maung	...	Do.
(18) Lt. Kyaw Nyunt	...	Do.
(19) Lt. Khin Soe	...	Do.
(20) 2/Lt. Thein Swe	...	Do.
(21) 2/Lt. Tun Shein	...	Do.

(M) Ministry of Industries

(1) Capt. (BN) B. O. Barber	...	Burma Pharmaceutical Industry.
(2) W/Comdr. P. Aye Cho	...	Industrial Development Corporation.
(3) Lt.-Col. Ba Kyin	...	Electricity Supply Board.
(4) Maj. Maung Thwin	...	Burma Pharmaceutical Industry.
(5) Lt.-Comdr. Khin Maung Nyunt	...	Industrial Development Corporation.
(6) Sqn./Ldr. Khin Maung Gyi	...	Chief Executive Officer, Steel Mill.
(7) Capt. S. H. Chanea	...	Burma Pharmaceutical Industry.
(8) Capt. Than Ko	...	Electricity Supply Board.
(9) Lt. Aye Kyaw	...	Do.

(N) Ministry of Transport, Posts and Telecommunications

- | | |
|--|---|
| (1) Comdr. T. Clift | ... Union of Burma Airways. |
| (2) Col. Khin Nyo
<i>Star of the Revolution for Independence (1st Degree)</i> | ... Burma Railways. |
| (3) Col. Kyaw Soe
<i>Star of the Revolution for Independence (1st Degree)</i> | ... Inland Waterways Transport Board. |
| (4) Lt.-Col. Ba Ni
<i>Star of the Revolution for Independence (1st Degree)</i> | ... Directorate of Telecommunications. |
| (5) Lt.-Col. Ye Myint
<i>Star of the Revolution for Independence (2nd Degree)</i> | ... Burma Railways (15-12-58 to 1-12-59). |
| (6) Lt.-Col. Ye Htoon
<i>Star of the Revolution for Independence (2nd Degree)</i> | ... Burma Railways (21-1-60). |
| (7) Comdr. (BN) Aung Thein | ... Inland Waterways Transport Board. |
| (8) Maj. Than Tin | ... Directorate of Telecommunications. |
| (9) Maj. Aung Kyu | ... Burma Railways. |
| (10) Lt.-Comdr. Khin Maung Cho | ... Inland Waterways Transport Board. |
| (11) Lt.-Comdr. Chit Hlaing | ... Do. |
| (12) Sqn./Ldr. Maung Maung Nyunt | ... Union of Burma Airways. |
| (13) Sqn./Ldr. Tun Aung | ... Do. |
| (14) Capt. Khin Maung Than | ... Burma Railways. |
| (15) Lt. (BN) Hla Win | ... Inland Waterways Transport Board. |
| (16) Lt. (BN) Maung Aye | ... Do. |
| (17) Lt. (BN) Thein Tun | ... Do. |
| (18) Lt. (BN) Thein Maung | ... Do. |
| (19) Flt./Lt. Kyaw Nyein | ... Union of Burma Airways. |
| (20) Flt./Lt. Thaung Lwin | ... Do. |
| (21) Lt. Tin Maung Aye | ... Burma Railways. |
| (22) Lt. Soe Myint | ... Do. |
| (23) Lt. Mya Min | ... Do. |
| (24) Lt. Win Kyi | ... Do. |
| (25) Lt. Win Lwin | ... Do. |

(O) Ministry of Marine and Civil Aviation

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|---|------------------------------------|
| (1) Lt.-Col. Saw Mya Thein
<i>Star of the Revolution for Independence (3rd Degree)</i> | ... Port Commissioners. |
| (2) Comdr. (BN) Baroni | ... Union of Burma Shipping Board. |

(3) Lt.-Cmdr. Min Lwin	...	Mercantile Marine Department.
(4) Lt.-Comdr. Khin Maung Myint	...	Union of Burma Shipping Board.
(5) Lt.-Cmdr. G. O. L. Dender	...	Do.
(6) Lt. (BN) Sein Tun	...	Port Commissioners.
(7) Lt. (BN) Kan Nyunt	...	Union of Burma Shipping Board.
(8) Lt. (BN) Ye Nyunt	...	Mercantile Marine Department.
(9) Lt. (BN) Maung Maung Khin	...	Do.

(P) Ministry of Labour

(1) Lt.-Col. Chit Khaing <i>Star of the Revolution for Independence (1st Degree)</i>	...	Directorate of Labour.
(2) Lt.-Col. Bo Thaung <i>Star of the Revolution for Independence (2nd Degree)</i>	...	Union Stevedoring Board.
(3) Lt.-Comdr. Maung Maung Gyi <i>Star of the Revolution for Independence (1st Degree)</i>	...	Directorate of Labour.
(4) Capt. Tin Sein	...	Do.
(5) Capt. Ba Htwe <i>Star of the Revolution for Independence (1st Degree)</i>	...	Ministry of Labour.
(6) Capt. Soe Hlaing	...	Do.
(7) Capt. Thein Kyaw <i>Star of the Revolution for Independence (2nd Degree)</i>	...	Do.
(8) Lt. Aung Myint	...	Do.

(Q) Ministry of Public Works, National Housing and Rehabilitation

(1) Brig. Tin Pe <i>Star of the Revolution for Independence (1st Degree)</i>	...	Ministry of Public Works, National Housing and Rehabilitation.
(2) Col. Sein Win <i>Star of the Revolution for Independence (1st Degree)</i>	...	National Housing Board.
(3) Lt.-Col. Yi Aye <i>Star of the Revolution for Independence (2nd Degree)</i>	...	Do.
(4) Lt.-Col. Tin Soe <i>Star of the Revolution for Independence (2nd Degree)</i>	...	Do.
(5) Capt. Kyaw Nyunt	...	Ministry of Public Works, National Housing and Rehabilitation.
(6) Capt. Win Sein	...	National Housing Board.
(7) Capt. Ko Gyi	...	Do.
(8) Capt. Kyaw Sein	...	Do.

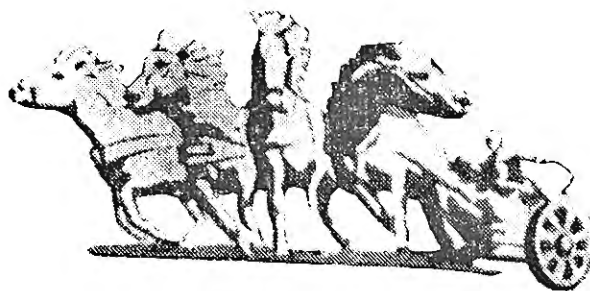
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|---|-----|-------------------------|
| (9) Capt. Khin Maung | ... | National Housing Board. |
| (10) Capt. Myo Thant | ... | Do. |
| (11) Capt. Sein Hla Tin | ... | Do. |
| <i>Star of the Revolution for Independence (2nd Degree)</i> | | |
| (12) Capt. Hla Maung | ... | Do. |
| (13) Capt. Tin Oo | ... | Do. |
| <i>Star of the Revolution for Independence (2nd Degree)</i> | | |
| (14) Capt. Soe Myint | ... | Do. |
| (15) Lt. Thaung Myint | ... | Do. |
| (16) Lt. Aye Kyin | ... | Do. |

(R) Ministry of Information

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|---|-----|-----------------------------|
| (1) Col. Ba Than | ... | Ministry of Information. |
| <i>Star of the Revolution for Independence (2nd Degree)</i> | | |
| (2) Lt.-Col. Ba Kyin | ... | State Film Promotion Board. |
| (3) Capt. Ba Maung Chein | ... | Ministry of Information. |
| (4) Capt. Myo Myint | ... | State Film Promotion Board. |

(S) Ministry of Shan State

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|----------------------|-----|------------------------|
| (1) Lt.-Col. Saw Ohn | ... | Shan State Government. |
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General Ne Win: born Maung Shu Maung, May 24, 1911, Paungdale, Prome district; parents, U Po Kha and Daw Mi Lay, merchants; matriculated Government High School, Prome; interrupted studies at University of Rangoon to serve actively as *Thakin* in *Dobama Asiayone* while working in Posts & Telegraphs; July 1941, one of the "Thirty Comrades" to escape secretly to Japan for military training; Feb. 1942, as Bo Ne Win led Burma Independence Army's vanguard into Burma; Aug. 1943, Col Ne Win, Commander-in-chief; Burma Defence Army; Feb. 1945, Commander of resistance forces in Delta; Sept 4, 1945, member of Burmese delegation to Ceylon for Kandy Agreement; Dec. 1945, Lt-col Ne Win, officer Commanding, 4th Battalion, Burma Rifles, of newly formed Burma Army; Oct. 1947, Colonel; Dec. 1947, Brigadier, Commander, Northern Command; Aug 1948, Major-General, Vice Chief of General Staff, War Office; Feb 1949, Lt-General, Chief of General Staff, General Officer Commanding Burma Army, and Supreme Commander of Defence Forces and Police Forces; April 4, 1949, Deputy Prime Minister and Minister for Home and Defence; Sept. 9, 1950, resigned from Cabinet; Jan. 1, 1956, General, Chief of Staff of Defence Services (Army, Navy and Air Force); Oct 28 1958, elected by Parliament to serve as Prime Minister.

